

Contract Summary Sheet

Contract (PO) Number: 5622

Specification Number: 24610

Name of Contractor: SOO T, LLC

City Department: PLANNING & DEVELOPMENT

Title of Contract: Redevelopment of SW corner of Roosevelt and Canal

Dollar Amount of Contract (or maximum compensation if a Term Agreement) (DUR):

\$4,500,000 00

PO Start Date: 8-22-97

PO End Date: 3-19-20

Brief Description of Work: Redevelopment of SW corner of Roosevelt and Canal

Procurement Services Contact Person: BARBARA SUTTON

Vendor Number: 50071883

Submission Date:
JUN 03 2004
JUN 03 2004

97655612

ROOSEVELT-CANAL REDEVELOPMENT PROJECT AREA
REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

SOO T, L.L.C.

This agreement was prepared by
and after recording return to:
Paul Davis, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 511
Chicago, IL 60602

Covenants :
✓ Occupancy
✓ 220 jobs

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Exhibit Q *Description of Vacated Property

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

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This agreement was prepared by and
after recording return to.
Paul Davis, Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 511
Chicago, IL 60602

ROOSEVELT-CANAL REDEVELOPMENT AREA REDEVELOPMENT AGREEMENT

This Roosevelt-Canal Redevelopment Area Redevelopment Agreement (this "Agreement") is made as of this 27th day of August, 1997, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Soo T, L.L.C., an Illinois limited liability company (the "Developer").

RECITALS

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

B. Statutory Authority: The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (1992 State Bar Edition), as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on July 31, 1996: (1) "An Ordinance of the City of Chicago, Illinois, Approving a Redevelopment Plan for the Roosevelt-Canal Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois, Designating the Roosevelt-Canal Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois, Adopting Tax Increment Allocation Financing for the Roosevelt-Canal Redevelopment Project Area," (collectively referred to herein as the "Prior TIF Ordinances"). A technical error in the formation of the Roosevelt-Canal Redevelopment Project Area was discovered after the adoption of the Prior TIF Ordinances, and the City Council adopted the following ordinances on March 19, 1997: (A) "An Ordinance of the City of Chicago, Illinois, Approving a Redevelopment Plan for the Roosevelt-Canal Redevelopment Project Area"; (B) "An Ordinance of the City of Chicago, Illinois, Designating the Roosevelt-Canal Redevelopment Project Area a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (C) "An Ordinance of the City of Chicago, Illinois, Adopting Tax Increment Allocation Financing for the Roosevelt-Canal Redevelopment Project Area" (the "TIF Adoption Ordinance") (collectively referred to herein as the "TIF Ordinances"). The redevelopment project area (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area at the southwest corner of Roosevelt Road and Canal Street in Chicago, Illinois and legally described on Exhibit B hereto (the "Property"), and, within the time frames set forth in Section 3.01 hereof, shall commence demolition of existing improvements and complete construction of an approximately 98,000 square foot retail shopping center comprised of an approximately 70,000 square foot supermarket, and approximately 30,000 square feet of additional retail space (the "Facility") on the Property. The construction of the Facility and related improvements (including but not limited to (i) the construction pursuant to Section 8.20 hereof on the Property of a surface parking lot of not less than 750 parking spaces to service the Maxwell Street Market, and the sale, subject to Section 3.13 hereof, of a portion of the Property comprised of two (2) outlot parcels (the "Outlot Parcels"), each approximately one acre in size, (ii) related surface parking for the Facility and (iii) those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago Roosevelt-Canal Redevelopment Area Tax Increment Financing Program

Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D, as amended from time to time.

F. City Financing: The City agrees to make available, in the amounts set forth in Section 4.03 hereof, and pursuant to the terms of the City Note (as defined below), (i) the proceeds of the City Note to finance a portion of the costs of the Project and (ii) Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

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

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

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

"City Fee" shall mean the fee described in Section 4.05(b) hereof.

"City Funds" shall mean the funds described in Section 4.03(b) hereof.

"City Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Roosevelt-Canal Redevelopment Project), Series A, to be in the form attached hereto as Exhibit N, in the maximum principal amount of \$4,500,000 or 22.11% of the total costs

of the Project, whichever is less, issued by the City to the Developer on the date hereof; provided, that the term "City Note" shall also mean, collectively, two or more of such notes issued pursuant to this Agreement which do not have an aggregate principal amount in excess of \$4,500,000 or 22.11% of the total costs of the Project, whichever is less. The City Note shall bear interest at an annual rate of nine percent (9%) and shall provide for accrued, but unpaid interest, to be added to principal.

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto and, subject to the terms and conditions herein contained, the execution of the City Note by the City and delivery thereof to the Developer.

"Construction Contract" shall mean any contract, to be entered into between the Developer and the General Contractor providing the demolition of the existing improvements on the Property and for construction of the Project, other than the improvements comprising the Dominick's Store and the improvements to the Outlot Parcels.

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

"Dominick's Lease" shall mean the lease agreement between Dominick's Finer Foods, Inc., a Delaware corporation ("Dominick's"), as lessee, and Developer, as lessor, dated June 3, 1996 for approximately 70,000 square feet of leasable area of the Facility for the operation of a full service grocery store for a term of not less than 20 years.

"Dominick's Store" shall mean the improvements to be constructed by or on behalf of Dominick's pursuant to the terms of the Dominick's Lease for the operation of a full service grocery store containing approximately 70,000 square feet.

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7

U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq); and (x) the Municipal Code of Chicago.

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

"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), in form and content acceptable to DPD.

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

"Financial Statements" shall mean complete 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. DPD may require that the Financial Statements be certified by an officer of the Developer.

"General Contractor" shall mean the general contractor(s) hired by the Developer pursuant to Section 6.01.

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

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

"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.

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

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

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

"Note Ordinance" shall mean the City ordinance authorizing the issuance of the City Note.

"Payment Form" shall have the meaning set forth in Section 4.04 hereof.

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

"Plans and Specifications" shall mean construction documents containing an initial site plan and initial working drawings and specifications for the Project, including the proposed use of the Outlot Parcels.

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

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

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

"Roosevelt-Canal Redevelopment Project 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.

"Scope Drawings" shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project, including the proposed use of the Outlot Parcels.

"Survey" shall mean the plat of survey of the Property dated February 5, 1993 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 if required by the lender(s) providing Lender Financing).

"Tax Certificate" shall mean the Tax Exemption Certificate and Agreement, in the form attached as Exhibit E, executed by the City in connection with the issuance of the City Note.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on March 19, 2020, the date on which the Redevelopment Area is no longer in effect.

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Plan and (iii) the City has agreed to reimburse Developer for pursuant to the City Note, subject to the terms of this Agreement.

"Title Company" shall mean Near North National Title 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.

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Project (other than the Outlot Parcels), and subject to Section 18.17 hereof, the Developer shall, pursuant to the Plans and Specifications: (i) commence construction and/or demolition on or before the thirtieth (30th) day following the date of this Agreement; and (ii) complete construction of the Facility no later than sixteen (16) months following commencement, and, subject to the Dominick's Lease, to cause the Dominick's Store to open for business in the approximately 70,000 square foot grocery store within twelve (12) additional months.

3.02 Scope Drawings and Plans and Specifications. The Developer has delivered, or will deliver prior to the disbursement of any City Funds, the Scope Drawings and Plans and Specifications to DPD for its approval. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to DPD 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 as amended from time to time and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, 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 DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than Twenty Million Three Hundred Forty-Nine Thousand Three Hundred Sixty-One Dollars (\$20,349,361). The Developer hereby certifies to the City that the Project Budget is a true, correct and complete estimate of the total costs for the Project in all material respects. The Developer hereby certifies to the City that it has Lender Financing and Equity in an amount sufficient to pay for all Project costs. The Developer shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Any Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be delivered by the Developer to the City in connection with the progress reports described in Section 3.07 hereof; provided that any Change Orders that would authorize or cause any of the following to occur must be submitted by the Developer to DPD for DPD's prior written approval: (a) a reduction in the total leasable square footage of the Facility below 98,000 square feet or (b) the change of the proposed use of the Facility to a use other than a retail shopping center or (c) a delay (subject to Section 18.17 hereof) in the completion of the Project (other than the Outlot Parcels). The Developer shall not authorize or permit the performance of any work relating to any Change Order requiring DPD's prior written approval or the furnishing of materials in connection therewith prior to the receipt by the Developer of DPD's written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. DPD shall use best efforts to review and approve or disapprove all such Change Orders within fifteen (15) days from the receipt thereof. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of Incremental Taxes or proceeds of the City

Note which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer.

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

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

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

3.08 Inspecting Agent or Architect. An independent agent or architect (other than the Developer's architect) approved by DPD shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to DPD, prior to requests for disbursement for costs related to the Project. The inspecting architect shall, at Developer's option, be the inspecting architect engaged by any lender providing Lender Financing for the Project, provided that said architect is an independent architect licensed in the State of Illinois and is required to perform inspections on behalf of the City and such lender and to issue certifications jointly to the City and such lender.

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

approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 Signs and Public Relations. The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the construction of 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 Sale of Outlot Parcels. The Developer intends to sell a portion of the Property comprising the Outlot Parcels. Notwithstanding anything herein to the contrary, no purchaser of an Outlot Parcel shall be entitled to any benefits under this Agreement or to the receipt of any payments of City Funds under the City Note or otherwise. The Developer further covenants and agrees that 100% of the net proceeds received from any sale of the Outlot Parcels will be applied to the payment of costs of the Project. "Net proceeds" for purposes of this Section shall mean the amount of the sales price, less pro-rations for real estate taxes and the standard costs of closing, such as broker's fees, title insurance costs, transfer taxes and survey charges. Developer shall deliver to DPD copies of all purchase and sale agreements, closing statements and other information requested by DPD in order to confirm the amount of net proceeds received by Developer upon the sale of the Outlot Parcels. The City acknowledges and agrees that the Developer shall not be obligated to sell or develop the Outlot Parcels as part of its obligation to construct the Project hereunder.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$20,349,361, 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>)	\$ 1,930,000
City Funds	\$ 4,500,000
Lender Financing	\$11,919,361
Outlot Construction Contribution	\$ 2,000,000
ESTIMATED TOTAL	\$20,349,361

The Developer anticipates that a portion of the Equity estimated at \$930,000 will be derived from the net proceeds received from the sale of the Outlot Parcels. In the event that the net proceeds of the sale of the Outlot Parcels exceeds \$930,000 the amount of such excess shall be deemed additional Equity contributed to the Project. Nothing herein contained, including the receipt by Developer of net proceeds from the sale of the Outlot Parcels in an amount less than \$930,000, shall reduce the Equity requirement from that set forth above.

Developer shall have the right to re-allocate line items in the sources of funds between Equity, Lender Financing and Outlot Construction Contribution as aforesaid, provided that Developer shall, at all times, have sufficient funds to complete construction of the Project (other than with respect to the Outlot Parcels) and to advance all Project costs in connection therewith. Notwithstanding the foregoing; if Developer undertakes construction on the Outlot Parcels, Developer shall, at all times in connection therewith, have sufficient funds to undertake and complete said construction.

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 be used by the Developer for costs of TIF-Funded Improvements only that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be reimbursed from City Funds for each line item therein, contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) **Sources of City Funds.** Subject to the terms and conditions of the City Note and this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to reimburse the Developer for costs of the TIF-Funded Improvements incurred by the Developer, such reimbursed costs to be deemed the "City Funds" hereunder; provided, however, that the total amount of City Funds evidenced by the City Note and available for TIF-Funded Improvements shall be an amount

not to exceed the lesser of Four Million Five Hundred Thousand Dollars (\$4,500,000) or twenty-two and eleven-hundredths percent (22.11%) of the actual total Project costs (the "Maximum Reimbursement Amount").

In the event that the amount due under the City Note at the time the Developer has made all expenditures relating to the TIF-Funded Improvements is less than the Maximum Reimbursement Amount, the City, subject to the limitations of the Act, shall reimburse Developer for or pay any interest costs incurred by Developer pursuant to any Lender Financing or any permanent mortgage financing secured by Developer in connection with the Project in an amount equal to the difference between (i) the amounts due under the City Note and (ii) the Maximum Reimbursement Amount. Except as set forth in Section 4.05(b), all Incremental Taxes shall be irrevocably pledged to payments under the City Note or to payment to Developer under Section 11-74.4-3(q)(11) of the Act. Payments to Developer of the Incremental Taxes as aforesaid shall be applied (i) first, to pay accrued interest due and owing under the City Note; (ii) second, to reduce the principal amount of the City Note and (iii) to pay or reimburse Developer for interest accruing on any Lender Financing or any permanent mortgage financing to the extent permitted by the Act. Accrued but unpaid amounts due to Developer hereunder in any year shall carry over and be paid from Incremental Taxes which are collected from properties in the Redevelopment Project Area in the following or subsequent year(s). Nonpayment of principal of or interest on the City Note due to the insufficiency of Incremental Taxes shall not be deemed an event of default thereunder. The City's obligation to reimburse or pay to Developer as aforesaid shall terminate on the earlier to occur of (i) payment to Developer of the Maximum Reimbursement Amount, (ii) the termination or expiration of this Agreement or (iii) as provided in Section 15.02. Nothing in this paragraph shall obligate the City to reimburse the Developer in an amount greater than the Maximum Reimbursement Amount.

4.04 Payment Form. The Developer shall deliver to the City, at least 60 days prior to the date that payments are due on the City Note, a Payment Form in substantially the form of Exhibit M attached hereto or as otherwise acceptable to DPD (the "Payment Form"), together with the documentation described therein.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to DPD and approved by DPD as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). DPD shall have the right, in its sole discretion, to disallow any such expenditure as a Prior

Interest : 4.5 - MRA — is reimbursed, but does it earn interest? No...

Expenditure. Exhibit I hereto sets forth the prior expenditures approved by DPD as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof. The amount of any approved Prior Expenditures which are TIF-Funded Improvements shall be deemed to be a disbursement under the City Note in accordance with Section 5.16 hereof and the amount of the outstanding principal balance of the City Note shall be increased by the amount of such Prior Expenditures.

(b) City Fee. The City may allocate the sum of Eighty-Two Thousand Two Hundred Fifty Dollars (\$82,250) for payment of costs incurred by the City for the administration and monitoring of the Project. Such fee is not an obligation of the Developer and shall be disbursed from Incremental Taxes. A portion of the City Fee (in an amount not to exceed Thirty-Six Thousand One Hundred Twenty-Five Dollars (\$36,125)) shall at DPD's discretion be disbursed from Incremental Taxes to DPD prior to any payment being made under the City Note. A portion of the City Fee (in an amount not to exceed Thirty-Six Thousand One Hundred Twenty-Five Dollars (\$36,125)) shall at DPD's discretion be disbursed from Incremental Taxes collected in 2002 and thereafter, prior to any payment being made under the City Note. The remainder of the City Fee may at DPD's discretion be disbursed from Incremental Taxes to DPD, but in no event shall the City have the right to take such remainder prior to payment in full of the City Note.

(c) Allocation Among Line Items. Subject to Section 3.04, expenditures related to TIF-Funded Improvements may be reallocated among the line items of costs of TIF-Funded Improvements, without the prior written consent of DPD; provided, however, that any reallocation among line items for TIF-Funded Improvements and other Project costs is prohibited.

4.06 Cost Overruns; City Funds Not Available. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof, the Developer shall be solely responsible for such excess costs, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds.

4.07 Pledge of City Note. Developer may pledge the City Note as security for a loan to fund a portion of the costs of the Project, subject to the following conditions precedent:

(a) the prior written consent of the Commissioner of DPD shall be obtained;

(b) the proceeds of any such loan are disbursed through the Escrow to fund TIF-Funded Improvements;

(c) the holder of the City Note shall provide to the City evidence that such holder is a "sophisticated investor" under applicable state and federal securities laws; and

(d) the holder of the City Note shall deliver to the City a completed and executed form of Anti-Scofflaw Affidavit and otherwise shall not be in breach or violation of applicable City ordinances.

4.08 Costs of Issuance. The Developer shall be responsible for paying for all costs relating to the issuance of the City Note, including costs relating to the opinion described in Section 5.09(b) hereof.

SECTION 5. CONDITIONS PRECEDENT

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

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

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

5.03 Other Governmental Approvals. Not less than five (5) days prior to the issuance and delivery of the City Note, the Developer shall have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and shall submit evidence thereof to DPD, unless otherwise expressly provided in this Agreement.

5.04 Financing. The Developer shall have furnished proof reasonably acceptable to the City that the Developer has (i) 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 and (ii) Equity or another source of financing in an amount sufficient to enable the developer to purchase the City Note. If a portion of such funds consists of Lender Financing, the Developer shall have 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.

5.05 Acquisition and Title. On the Closing Date, the Developer shall furnish the City with a copy of the Title Policy for the Property, certified by the Title Company showing the

Developer as the named insured. The Title Policy shall be later dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.16 hereof. The Developer shall provide to DPD, prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to DPD's satisfaction, by the Title Policy and any endorsements thereto.

5.06 Evidence of Clean Title. Not less than two (2) business days prior to the Closing Date, the Developer, at its own expense, shall have provided the City with current searches under the Developer's name as follows:

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

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

5.07 Surveys. Not less than two (2) business days prior to the Closing Date, the Developer shall have furnished the City with three (3) copies of the Survey.

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

5.09 Opinion of the Developer's Counsel. (a) On the Closing Date, the Developer shall furnish the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as may be required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions shall be obtained by the Developer from its general corporate counsel.

(b) On the Closing Date, the City shall have received from Chapman & Cutler, special counsel to the City, an opinion regarding

the tax-exempt status and enforceability of the City Note, in form acceptable to Corporation Counsel; this opinion shall be obtained at the sole expense of the Developer.

5.10 Evidence of Prior Expenditures. Not less than ten (10) business days prior to the Closing Date, the Developer shall have provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.05(a) hereof.

5.11 Financial Statements. Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided to DPD detailed balance sheets and such other financial information as may be required by DPD for the Developer for the most recent fiscal year. Such financial information shall be in form and content acceptable to DPD.

5.12 Documentation. The Developer shall have provided documentation to DPD, satisfactory in form and substance to DPD, with respect to current employment matters.

5.13 Environmental. Not less than thirty (30) days prior to the Closing Date, the Developer shall have provided DPD with copies of that certain phase I environmental audit completed with respect to the Property. Prior to the Closing Date, the Developer shall provide the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents. The Developer shall provide a copy of its Articles or Certificate of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of 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; and such other organizational documentation as the City may request.

5.15 Litigation. The Developer shall provide to Corporation Counsel and DPD, at least ten (10) business days prior to the Closing Date, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

5.16 Preconditions of Increase of Principal Amount. The outstanding principal balance of the City Note shall be increased from time to time by the amount of expenditures made by Developer on behalf of the City to fund TIF-Funded Improvements. Prior to

any increase in the principal amount of the City Note, the Developer shall submit documentation of such expenditures to DPD, along with a Payment Form, which shall be satisfactory to DPD in its sole discretion. Delivery by the Developer to DPD of any request to increase such principal amount shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for increase, that:

(a) the total amount of the disbursement request represents the actual amount paid to the 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 disbursement request have been paid to the parties entitled to such payment;

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

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

(e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens or liens which the Developer is contesting in accordance with Section 8.13 hereof;

(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 (other than with respect to the Development of the Outlot Parcels). "Available Project Funds" as used herein shall mean: (i) the undisbursed Lender Financing, if any; (ii) the undisbursed Equity (including the net proceeds from the sale of the Outlots) and (iii) 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 City or the escrow agent under the Escrow Agreement, cash (or a commitment for additional Lender Financing) 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.

Except as otherwise provided in this Agreement, the City shall not be obligated to make payments under the City Note if an Event of Default, or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. DPD shall retain the right to approve or reject, in its reasonable discretion, the designation of any cost as (i) a TIF-Funded Improvement or (ii) a part of the actual total Project costs. In no event shall DPD be obligated to increase the principal amount of the City Note by an amount such that the outstanding aggregate principal amount of the City Note shall exceed 22.11% of the actual total Project costs (as provided in Section 4.03(b) hereof. The City shall not be obligated to increase the principal amount of the City Note if, on the date of such a request for such increase, any of the certifications described in (a) through (g) above are incorrect.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below, or as otherwise agreed to by DPD in writing, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project (other than the construction of the Dominick's Store and the development of the Outlot Parcels), the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to DPD for its inspection and written approval. (i) For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid (as reasonably determined by the Developer) who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid (as reasonably determined by the Developer), the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. The Developer shall submit copies of the Construction

Contract to DPD in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by DPD and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall be limited to 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit bids from all subcontractors.

6.02 Construction Contract. Prior to the execution thereof, the Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project (other than the construction of the Dominick's Store and the development of the Outlot Parcels) in accordance with Section 6.01 above, for DPD's prior written approval, and DPD shall take reasonable efforts to grant or deny such approval within fifteen (15) business days after delivery thereof; provided that if the City does not approve the Construction Contract with the General Contractor within such period, the Construction Contract shall be deemed to be disapproved. Within ten (10) business days after execution of such approved Construction Contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to DPD and Corporation Counsel a certified copy of such approved Construction Contract together with any modifications, amendments or supplements thereto.

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

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

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage),

Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificate of Completion of Construction. Upon completion of the construction of the Project (other than the development of the Outlot Parcels) in accordance with the terms of this Agreement and the completion of the dedication and conveyance described in Section 18.19(a), and upon the Developer's written request, DPD shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the construction portion of the Project in accordance with the terms of this Agreement. DPD shall respond to the Developer's written request for a Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project (other than the development of the Outlot Parcels) 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. DPD shall, at Developer's request made in writing, issue a separate Certificate for that portion of the Project comprising the Facility and that portion of the Project comprising the Additional Parking Area.

7.02 Effect of Issuance of Certificate; Continuing Obligations. Each Certificate relates only to the construction of the portion of the Project described therein, 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, 8.04, 8.17 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. The other executory terms of this Agreement that remain after the issuance of a

Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.03 Failure to Complete. If the Developer fails to complete the Project (other than development of the Outlot Parcels) in accordance with the terms of this Agreement, then the City shall have the right to terminate this Agreement and its obligation to make payments on the City Note. Termination of payments by the City on the City Note pursuant to this Section 7.03 shall not constitute an event of default under the City Note.

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

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

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of the issuance and delivery of the City Note and each increase in the principal amount of the City Note made pursuant to Section 5.16 hereof, that:

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate its Articles of Organization 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 pursuant to the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property free and clear of all liens (except for the Permitted Liens, Lender

Financing as disclosed in the Project Budget and non-governmental charges that the Developer 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) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency affecting the Developer that are pending or, to the best of Developer's knowledge, threatened, which would impair its ability to perform under this Agreement;

(g) the Developer has or will obtain (in accordance with the provisions hereof) and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct the Project;

(h) the Developer is not in material 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 DPD: (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, but excluding the Outlots) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition; and

(k) the Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of DPD, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property or any

fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget.

8.02 Covenant to Redevelop. Upon DPD's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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

8.04 Job Creation and Retention; Job Creation by Tenants. Developer shall use its commercially reasonable efforts to create or cause the creation of not less than two hundred twenty (220) full-time and part-time, permanent jobs within two (2) years of completion of the Project, to be retained or created at the Project through July 31, 2019. The commercially reasonable efforts of the Developer shall include its reasonable efforts to cause the tenants occupying the Project or any part thereof to create and retain jobs at sufficient levels to permit the Developer to meet its obligations under this Section 8.04. The Developer shall cooperate with the City and the tenants of the Facility to provide information regarding job creation and retention in the Facility. The Developer covenants and agrees that all tenants (the "Permitted Tenants") occupying any part of the Facility shall (a) be of a retail and/or commercial nature of the kind found in "first class" retail shopping centers located in the City of Chicago of a size similar to the Facility and (b) not, without DPD's prior written consent, engage in any use or activity at the Facility described in Exhibit Q attached hereto. If, at any time during the term of this Agreement, less than seventy percent (70%) of the aggregate gross leasable area of the entire Facility (the "Minimum Occupancy Level") is occupied by Permitted Tenants, the Developer shall, within a one year period (the "Grace Period") from the date that the occupancy level of the Facility by Permitted Tenants first falls below the Minimum Occupancy Level, restore the occupancy level at the Facility to the Minimum Occupancy Level with Permitted Tenants under leases with terms of not less than one year. In the event that the occupancy level by Permitted Tenants at the Facility falls below the Minimum Occupancy Level and the Developer fails, prior to the expiration of the Grace Period, to restore the occupancy level at the Facility to the Minimum Occupancy Level with Permitted Tenants under leases with terms of not less than one

year, then interest shall, from and after the expiration of the Grace Period cease to accrue on the City Note and the City may suspend payments on the City Note until such time as the Minimum Occupancy Level is attained as herein provided. The covenants set forth in this Section 8.04 shall run with the land and be binding upon any transferee of the Developer. If the Developer causes the facility to once again meet the Minimum Occupancy Level with Permitted Tenants as aforesaid, interest on the City Note shall immediately commence to accrue again and payments on the City Note shall resume. The restrictions contained in this Section 8.04 regarding the uses prohibited in the Facility set forth on Exhibit Q shall be effective only as concerns this Section 8.04 and in no event shall such provisions be deemed to amend or supersede the terms and provisions of Manufacturing Commercial Planned Development No. 450, as the same may be amended from time to time.

8.05 Employment Opportunity. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof.

8.06 Employment Profile. The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to DPD, on or before January 1 of each year (or as DPD may otherwise request), statements of its employment profile.

8.07 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 8.07.

8.08 Arms-Length Transactions. Unless DPD shall have given its prior written consent with respect thereto, no Affiliate of the Developer may receive any Incremental Taxes, 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 Incremental Taxes directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using Incremental Taxes, or otherwise), upon DPD's request, prior to any such disbursement.

8.09 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, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

8.10 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.

8.11 Financial Statements. The Developer shall obtain and provide to DPD Financial Statements for the Developer's fiscal year ended December 31, 1997 and each fiscal year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as DPD may request.

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

8.13 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charge assessed or imposed upon the Project, the 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 DPD, within thirty (30) days of DPD's request, official receipts from the appropriate entity, or other proof satisfactory to DPD, evidencing payment of the Non-Governmental Charge in question.

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

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the 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) upon the provision of Lender Financing for the Project, to furnish a good and sufficient bond or other security satisfactory to any lender providing such Lender Financing, in such form and amounts as such lender may require, or a good and sufficient undertaking as may be required 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.

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

8.15 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.

8.16 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of the county in which the Project is located. 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.

8.17 Conditional Provisions. The covenants set forth in Exhibit L hereto, will be and remain ineffective and unenforceable for the term of this Agreement and shall not be deemed as incorporated into this Agreement, unless and until the City, at its sole option, shall receive an opinion of Chapman and Cutler or

other nationally recognized bond counsel that the incorporation of such covenants into this Agreement will not adversely affect the tax-exempt status of the City Note. Upon receipt of such opinion, the City may render such covenants and provisions effective and enforceable in their entirety or selectively. In the event that the City exercises its option to make any covenant(s) in Exhibit L effective and enforceable, it shall so notify the Developer in accordance with Section 17 hereof. Such notice (the "Conditional Provisions Notice") shall be in recordable form.

8.18 Compliance with Agreements. Developer will comply with all contracts, licenses, permits and agreements relating to the Project, including, without limitation, the Dominick's Lease. Developer shall immediately notify the City in writing of the occurrence of any material default under any such contract, license, permit or agreement.

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

8.20 South Parking Area/Use By Maxwell Street Market Patrons. In consideration of the agreements herein contained, the Developer covenants and agrees to construct, maintain and operate as a part of the Project, a surface parking lot on portions of the Property south of the Facility comprising not fewer than 750 parking spaces (the "Additional Parking Area") for the use and benefit on Sundays only of patrons and vendors of the New Maxwell Street Market (the "Market") so long as the Market continues to operate on Canal Street. At the Developer's option, the Additional Parking Area or a portion thereof shall be located on the Property or on another alternative site provided that any such alternative site shall be (a) owned or controlled by the Developer and (b) situated within 660 feet of the boundaries of the Market and (c) approved by the Corporation Counsel and the Department of Consumer Services of the City with respect to the ownership and control thereof by the Developer and the state of title thereto. In the event that the Additional Parking Area shall be located on an alternative site other than the Property, which alternative site conforms to the requirements of the preceding sentence and to the other requirements of this Section 8.20, and, provided that the alternative site is made subject to the requirements of this Section 8.20 by the imposition thereon of a covenant running with the land containing the obligations as herein set forth, then the Property will no longer be subject to the requirements of this Section 8.20 and the Corporation Counsel, subject to the approval of the Commissioner of the Department of Consumer Services, shall,

upon the written request of the Developer and at Developer's cost, execute and record a release of the applicable portion of the Additional Parking Area from the requirements herein contained. The Additional Parking Area shall be available primarily for patrons and vendors of the Market on Sundays during the normal hours of operation of the Market. The Developer shall reasonably cooperate with the City to enhance the awareness of the availability of the Additional Parking Area to vendors and patrons of the Market through means such as the placement of signage and development of promotional activities. The Additional Parking Area shall be improved with a gravel parking surface, perimeter fencing and lighting and shall otherwise comply with applicable laws and ordinances, provided that the Additional Parking Area will not be improved with catch basins or a closed drainage system, will not have curved or raised islands and will not have to conform to the requirements of the Chicago Landscape Ordinance so long as used in accordance with this Section 8.20. The parties agree to meet not less frequently than once every three years to evaluate the need for the continued provision of the Additional Parking Area to serve patrons and vendors of the Market. Developer shall post and charge daily rates (including parking taxes) for the use of the Additional Parking Area by vendors and patrons of the Market on Sundays in accordance with the following maximum rate schedule (which includes parking taxes, if applicable):

\$ 3.00 through calendar year 1997;
\$ 3.50 in calendar year 1998;

\$ 4.00 in calendar year 1999, and increasing a maximum of \$.25 per year thereafter.

The foregoing rate schedule establishes maximum daily rates and the Developer shall not be prevented from charging rates that are lower than as set forth in the schedule. All requirements, conditions and regulations imposed by the Developer for the use of the Additional Parking Area on the Sundays upon which the Market is open for business shall be subject to review and approval by DPD and the Department of Consumer Services.

Notwithstanding any of the foregoing which is or may appear to be to the contrary, Developer shall have the right to use the Additional Parking Area for any use or purpose permitted by law or ordinance at all times other than those times during which the Additional Parking Area is to be used primarily for the patrons and vendors of the Market as aforesaid.

The City shall not be relieved of its obligations to Developer under this Agreement or the City Note in the event the Market ceases to operate on Canal Street and Developer is thereby relieved, in whole or in part, of its obligation to provide parking for the Market as aforesaid.

The obligations of the Developer contained in this Section 8.20 shall be covenants running with the land enforceable by the City and its successors and assigns.

8.21 Plans for Outlot Parcels. The Developer agrees that, prior to the development of the Outlot Parcels for retail use in accordance with the Redevelopment Plan, the Developer will submit Plans and Specifications and Scope Drawings for the proposed development to DPD for review and approval. The parties acknowledge and agree that the Plans and Specifications and the Scope Drawings required to be submitted to the City pursuant to Section 3.02 hereof shall reflect an interim use of the Outlot Parcels as graded, landscaped and fenced open space. If the Developer shall not have commenced construction of the proposed retail improvements on the Outlot Parcels within one year following the Closing Date, then the Developer shall grade, landscape and fence the Outlot Parcels in accordance with the Plans and Specifications submitted in accordance with Section 3.02 hereof.

8.22 Tax-Exempt Status of Note. The Developer hereby represents that it has reviewed the representations, statements and certifications of the City in the Tax Certificate and in the U.S. Form 8038-G referenced therein, and that such representations, statements and certifications, as they relate to factual matters regarding the use of the proceeds of the City Note, are accurate.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

9.02 Survival of Covenants. All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

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

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

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

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

(e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

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

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

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

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

The Developer shall require that the General Contractor and each subcontractor provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence. Until the issuance of a Certificate, the Developer shall provide, and shall cause the General Contractor and each subcontractor to provide, to DPD on an annual basis a report describing its compliance with this Section.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted quarterly to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified

payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

At the direction of DPD, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

The Developer shall retain a consultant experienced in the employment requirement described in this Section to assist the Developer in meeting its obligations hereunder. When work at the Project is completed, in the event that the City has determined that the Developer has failed to use best efforts to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance with such obligation to use best efforts to ensure the fulfillment of the requirement of this Section, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. Notwithstanding the foregoing, the City will not accept payment of any amounts pursuant to this Section 10.02 relating to liability of the Developer for liquidated damages unless and until it has received the opinion of Chapman and Cutler, or other nationally recognized bond counsel, that the receipt by the City of such payment from the Developer will not adversely affect the tax-exempt status of the City Note. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld

by the City pending the Purchasing Agent's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

a. Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "MBE/WBE" Program"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the total Project Budget (less that portion allocated to interest on any Lender Financing during construction, tenant relocation costs, title insurance costs, governmental charges, loan fees, the payment of real estate taxes during construction and the acquisition price of the Property or any portion thereof, if any) shall be expended for contract participation by MBEs or WBEs:

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

b. For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with construction of the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

c. Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by

subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

d. The Developer shall deliver quarterly reports to DPD during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist DPD in determining the Developer's compliance with this MBE/WBE commitment. DPD shall have access during normal business hours to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

e. Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.

f. Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

g. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of DPD and otherwise cooperate with the staff of DPD to ensure compliance with this Section 10.03. Failure to submit such documentation on a timely basis, or a determination by DPD, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder.

Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) withhold any further payment of any City Funds to the Developer or the General Contractor, or (2) seek any other remedies against the Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from all or any portion of the Property or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

The Developer shall procure and maintain, or cause to be procured and maintained, at its sole cost and expense, at all times throughout the Term of this Agreement (or during the construction period as specified at (b) below) and until each and every obligation of the Developer contained in the Agreement has been fully performed, the types of insurance specified below, with insurance companies authorized to do business in the State of Illinois covering all operations under this Agreement, whether performed by the Developer, the General Contractor or any subcontractor:

(a) Prior to Execution and Delivery of this Agreement:

- (i) Workers' Compensation and Employers Liability Insurance

Workers' Compensation and Employers Liability Insurance, as prescribed by applicable law, covering all employees who are to provide a service under or in connection with this Agreement, and employer's liability coverage, with limits of not less than \$100,000.00 for each accident or illness.

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

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000.00 per occurrence for bodily injury, personal injury and property damage liability. Coverage extensions shall include the following: all premises and operations, products/ completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Agreement.

(b) Construction: Prior to the construction of any portion of the Project, the Developer shall procure and maintain, or cause to be procured and maintained, the following kinds and amounts of insurance:

(i) Workers' Compensation and Employers Liability Insurance

Workers' Compensation and Employers Liability Insurance, as prescribed by applicable law, covering all employees who are to provide a service under or in connection with this Agreement and employer's liability coverage with limits of not less than \$500,000.00 for each accident or illness.

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

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000.00 per occurrence (except as otherwise approved by DPD), for bodily injury, personal injury and property damage liability. Coverage extensions shall include the following: all premises and operations, products/ completed operations (for a minimum of two (2) years following completion of construction of the Project), explosion, collapse, underground,

independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Agreement.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed in connection with this Agreement, the Developer shall provide, or cause to be provided, Automobile Liability Insurance with limits of not less than \$2,000,000.00 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 (which may be limited to being named as its interest appears in this Redevelopment Agreement).

(iv) All Risk Builders Risk Insurance

When the General Contractor undertakes any construction, including improvements, betterments, and/or repairs, the General Contractor shall provide, or cause to be provided, All Risk Builder's Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facilities. Coverage extensions shall include but are not limited to the following: boiler and machinery (if applicable), and collapse.

(v) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability insurance covering acts, errors or omissions shall be maintained with limits of not less than \$1,000,000.00. Coverage extensions shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Project.

(vi) Contractors' Pollution Liability Insurance

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

(c) Other Provisions

(i) The Developer shall furnish the following certificates to DPD at City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602:

--Original certificates of insurance evidencing the required coverage, showing the City as a certificate holder and, if applicable, loss payee or additional insured, to be in force on the date of execution of this Agreement, and renewal certificates of insurance or other evidence of renewal, if the coverages have an expiration or renewal date occurring during the Term of the Agreement. Each certificate of insurance shall provide that the City is to be given thirty (30) days prior written notice in the event coverage is cancelled or not renewed; and

--Original City of Chicago Insurance Certificate of Coverage Form (blank form to be obtained from DPD) or its equivalent.

The receipt of the required certificates by DPD does not constitute an agreement by the City that the insurance requirements of this Agreement have been fully met or that the insurance policies indicated on the certificates are in compliance with all requirements hereunder. The failure of the City to receive such certificates or to receive certificates that fully conform to the requirements of this Agreement shall not be deemed to be a waiver by the City of any of the insurance requirements set forth herein.

(ii) Receipt by the Developer of policies or certificates: The Developer shall advise all insurers of the insurance requirements set forth in this Agreement, and the receipt by the Developer of policies or

certificates that do not conform to these requirements shall not relieve the Developer of its obligation to provide the insurance as set forth in this Agreement or required by law. Failure to comply with the insurance provisions of this Agreement constitutes an Event of Default hereunder, and the City is entitled to exercise all remedies with respect thereto. The Developer expressly understands and agrees that any coverages and limits furnished by Developer shall in no way limit the Developer's liability and responsibilities specified within this Agreement or as required by law.

(iii) The Developer shall require the General Contractor and all subcontractors to carry the insurance required herein, or alternatively, the Developer may provide the coverage on behalf of the General Contractor or any subcontractor. All General Contractors and subcontractors shall be subject to the same requirements of the Developer in this subsection (c) unless specified herein.

(iv) The Developer agrees, and shall cause its insurers and the insurers of its General Contractor and each subcontractor engaged after the date hereof in connection with the Project to agree, that all such insurers shall waive their rights of subrogation against the City.

(v) The limitations set forth in the indemnification provisions in Section 13 hereof, or any limitations on indemnities that may apply as a matter of law, shall in no way limit, reduce or otherwise affect the amounts or types of insurance required under this Agreement.

(vi) The Developer and not the City is responsible for meeting all of the insurance requirements under this Agreement and for the Project. Any insurance or self insurance programs maintained by the City shall apply in excess of and not contribute with insurance required to be provided by the Developer, General Contractor or any subcontractor under this Agreement.

Any and all deductibles or self-insured retentions on the required insurance coverages shall be borne by the Developer, General Contractor or subcontractor who is the insured under such policy, and shall not be borne by the City.

If the Developer, the General Contractor or any subcontractor desires additional coverage, higher limits of liability or other modifications for its own protection, such person or entity shall be responsible

for the acquisition and cost of such additional protection.

(vii) The City of Chicago Risk Management Department maintains the right to alter or change the insurance requirements set forth in this Agreement above so long as such action does not, without the Developer's prior written consent, increase such requirements.

SECTION 13. INDEMNIFICATION

The Developer agrees to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement, or (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

14.02 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City shall have access

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

SECTION 15. DEFAULT AND REMEDIES

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

(a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under (i) this Agreement or (ii) any related agreement, if such failure with respect to any related agreement materially adversely affects Developer's ability to perform its obligations under this Agreement;

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

(h) the occurrence of a material event of default under the Lender Financing, which default is not cured within any applicable cure period;

(i) the dissolution or termination of the Developer or, prior to the issuance of Certificates for the Facility and the Additional Parking Area, the transfer by any member of the Developer to any person not currently a member of the Developer of any material interest in the Developer without DPD's prior written consent;

(j) following the issuance of Certificates for the Facility and the Additional Parking Area, the transfer by any member of the Developer to any person not currently a member of the Developer of any material interest in the Developer without DPD's prior written consent, which approval shall not be unreasonably withheld; provided that DPD shall approve any such transfer of a material interest to a person (i) who is not then in violation of any ordinance, regulation or executive order of the City and (ii) whose acquisition of an interest in the Developer would not, in the absence of this subsection (j), cause the Developer to be in default under this Agreement;

(k) 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 person who owns a material interest in the Developer, for any crime (other than a misdemeanor); or

(l) the occurrence of a material default by the Developer under the terms of the Dominick's Lease which is not cured within any applicable notice and/or cure period.

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be any

member of the Developer with an aggregate interest in the Developer, directly or indirectly, in excess of five percent (5%).

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend or terminate payments of Incremental Taxes pursuant to this Agreement and the City Note. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

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

SECTION 16. MORTGAGING OF THE PROJECT

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 Developer 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." The Existing Mortgage(s) and Permitted Mortgage(s) are referred to herein collectively as the "Mortgage(s)," and the holder of any such Mortgage is referred to herein as a "Mortgagee." It is hereby agreed by and between the City and the Developer as follows:

(a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a mortgage or deed of trust (other than an Existing Mortgage or a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City 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 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 any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party shall have no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the Developer shall be solely responsible. However, if such Mortgagee or other party succeeding to the Developer's interest in the Property 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) New Mortgages. Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of DPD if the City Note is pledged as security therefor.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service;

(b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the City: City of Chicago
Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, IL 60602
Attention: Commissioner

With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division
121 North LaSalle Street, Room 511
Chicago, IL 60602

If to the Developer:
Soo T, L.L.C.
c/o Hiffman Shaffer Associates
180 North Wacker Drive
Chicago, Illinois 60606
Attention: Jack Shaffer or Tom Collins

With Copies To: Rudnick & Wolfe
203 North LaSalle Street
Suite 1800
Chicago, Illinois 60601
Attention: Theodore J. Novak, Esq.
and David L. Reifman, Esq.

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the City and Developer.

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

discussions between the parties relative to the subject matter hereof.

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

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

18.05 Waiver. Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing.

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

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

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City or DPD, or any matter is to be to the City's or DPD's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City or DPD in writing and in its sole discretion.

18.15 Assignment. Prior to the issuance by the City to the Developer of the Certificates for the Facility and the Additional Parking Area, 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. The City will consent to an assignee proposed by the Developer only if no Event of Default then exists hereunder and the proposed assignee (a) qualifies as a sophisticated investor under applicable state and federal securities laws, (b) demonstrates the financial ability and experience to timely complete the Project, (c) is not then in violation of any ordinance, regulation or executive order of the City and (d) would not cause an Event of Default, or situation that, with notice or the passage of time or both would give rise to an Event of Default, to exist under this Agreement. Notwithstanding the issuance of such Certificates, 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 Section 8.19 (Survival of Covenants) hereof, for the Term of the Agreement. Except as provided in Section 4.07 hereof, no assignee or transferee shall have the right to obtain Incremental Revenues payable pursuant to the City Note without the express prior written consent of the City. 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).

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.

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

18.19 Dedication, Parking Restriction, Vacation.

(a) Dedication. The Developer agrees that prior to the issuance of a certificate of occupancy for the Facility, the Developer shall cause the dedication and conveyance of the parcels of real property described in Exhibit P in accordance with the schedule stated herein. Prior to making any offer of dedication or conveyance, the Developer shall cause all Clinton Street Improvements (as hereinafter defined) to be completed to the satisfaction of the Commissioner of Transportation (and the commissioners of such departments of the City as shall have responsibility for maintenance of the Clinton Street Improvements upon their acceptance by the City) and accepted in accordance with this Agreement, and shall provide the City with evidence of good title satisfactory to the Corporation Counsel. The dedication and conveyance shall be completed in accordance with all standard City policies and procedures for similar dedications and conveyance. The Developer shall be responsible and pay for any and all utility and public service relocations and adjustments necessary or appropriate for the dedications (collectively, the "Clinton Street Improvements") and, prior to the offer shall cause all necessary or appropriate Board of Underground approvals to be submitted to the Superintendent of Maps.

(b) Vacation. Pursuant to the vacation ordinance of the City Council adopted on December 11, 1996 and published in the Journal of the Proceedings of the City Council at pages 36527-36531 and 36532-36533, the City has vacated the portions of public ways described in Exhibit O which is attached hereto. The City acknowledges that the compensation payable by the Developer with respect to the vacation described in this Section 18.19(b) is set forth in Exhibit C attached hereto, as the compensation has been reduced by an amount equal to the value (or applicable portion thereof) of the impairment to the Additional Parking Area resulting from the imposition thereon of the restrictions contained in Section 8.20 hereof.

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


[THE REMAINDER OF THIS PAGE 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.

ATTEST:

SOO T, L.L.C., an Illinois limited liability company

By: _____

By: 

Its: _____

Its: Member of Board of Managers

CITY OF CHICAGO

By: _____
Commissioner, Department
of Planning and Development

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

ATTEST:

SOO T, L.L.C., an Illinois limited liability company

By: _____

By: _____

Its: _____

Its: _____

CITY OF CHICAGO

By:  _____
Commissioner, Department
of Planning and Development *pcd*

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, Grace Fill, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that E. Thomas Collins Jr and Member of Board of Managers and personally known to me to be the _____ of Soo T, L.L.C., an Illinois limited liability company (the "Company"), and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that they signed, sealed, and delivered said instrument, pursuant to the authority given to them by the Board of Directors of the Company, as their free and voluntary act and as the free and voluntary act of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 199_.

Grace Fill
Notary Public

OFFICIAL SEAL
GRACE FILL
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXP. MAR. 4, 1998

My Commission Expires 3/4/98

(SEAL)

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

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

GIVEN under my hand and official seal this ___th day of _____, 1997.

Carol A. Shipley
Notary Public

My Commission Expires 10/22/97



A

APPENDIX A: LEGAL DESCRIPTION OF THE ROOSEVELT/CANAL REDEVELOPMENT PROJECT AREA

A tract of land in the northwest quarter of Section 21, Township 39 North, Range 14 East of the Third Principal Meridian, said tract of land being more particularly described as follows:

Beginning at the intersection of the original centerline of West Roosevelt Road (being also the north line of said northwest quarter of Section 21) with the northward projection of the east line of South Canal Street;

Thence south along said northward projection and along said east line (crossing vacated West 12th Place, vacated West 13th Street, vacated Maxwell Street, vacated West Liberty Street, vacated West 14th Street, vacated West Barber Street, vacated West 14th Place and that part of West 14th Place dedicated for public street by Document Number 89191968, and vacated West 15th Street) to the southwest corner of Lot 3 in the subdivision of Lot 6 of Block 51 of Canal Trustee's New Subdivision;

Thence westward, crossing South Canal Street, to the southeast corner of Lot 18 in Samuel B. Chase's Subdivision of Lots 1, 2, 13, and 14 in Block 52 of Canal Trustee's New Subdivision;

Thence west along the south line of said Lot 18 to the southwest corner of said Lot;

Thence southwesterly crossing a 15 foot wide public alley to a southeast corner of the Central Terminal Railway Company's Subdivision in aforesaid Section 21;

Thence west along the south line of said Central Terminal Railway Company's Subdivision and along the westward extension thereof, to an intersection with the west line of South Jefferson Street;

Thence north along said west line of South Jefferson Street to an intersection with the north line of West 15th Street (east of South Jefferson Street) projected westward;

Thence east along said westward projection and along said north line and the eastward projection thereof to an intersection with a west line of the aforementioned Central Terminal Railway Company's Subdivision;

Thence north along said west line of the Central Terminal Railway Company's Subdivision to an intersection with a north line of said subdivision (said north line being also the south line of a 10 foot wide vacated public alley lying south of and adjacent to Lots 8 to 3 inclusive in John Nutt's Subdivision of Lots 4, 5 and 6 in Block 52 of the Canal Trustee's Subdivision);

Thence east along said north line of Central Terminal Railway Company's Subdivision to an intersection with a west line of said Subdivision;

Thence north along said west line and the northward extension thereof, to an intersection with the centerline of West 14th Place;

Thence east along said centerline to an intersection with the original centerline of South Clinton Street;

Thence north along said original centerline to an intersection with the centerline of West Maxwell Street;

Thence west along said centerline to an intersection with the southward extension of the west line of South Clinton Street;

Thence north along said southward extension and along said west line and the northward extension thereof, crossing a 12 foot wide vacated alley, vacated West 13th Street, a vacated 12 foot wide vacated alley, vacated West 12th Place, a vacated 12 foot wide alley and that portion of West Roosevelt Road lying south of the original centerline of said road to an intersection with said original centerline;

Thence east along said centerline to the point of beginning;
In Cook County, Illinois.

B

A tract of land in the northwest quarter of Section 21, Township 39 North, Range 14 East of the Third Principal Meridian, said tract of land being more particularly described as follows:

Beginning at the intersection of the original centerline of West Roosevelt Road (being also the north line of said northwest quarter of Section 21) with the northward projection of the east line of South Canal Street;

Thence south along said northward projection and along said east line (crossing vacated West 12th Place, vacated West 13th Street, vacated Maxwell Street, vacated West Liberty Street, vacated West 14th Street, vacated West Barber Street, vacated West 14th Place and that part of West 14th Place dedicated for public street by Document Number 89191968, and vacated West 15th Street) to the southwest corner of Lot 3 in the subdivision of Lot 6 of Block 51 of Canal Trustee's New Subdivision;

Thence westward, crossing South Canal Street, to the southeast corner of Lot 18 in Samuel B. Chase's Subdivision of Lots 1, 2, 13, and 14 in Block 52 of Canal Trustee's New Subdivision;

Thence west along the south line of said Lot 18 to the southwest corner of said Lot;

Thence southwesterly crossing a 15 foot wide public alley to a southeast corner of the Central Terminal Railway Company's Subdivision in aforesaid Section 21;

Thence west along the south line of said Central Terminal Railway Company's Subdivision and along the westward extension thereof, to an intersection with the west line of South Jefferson Street;

Thence north along said west line of South Jefferson Street to an intersection with the north line of West 15th Street (east of South Jefferson Street) projected westward;

Thence east along said westward projection and along said north line and the eastward projection thereof to an intersection with a west line of the aforementioned Central Terminal Railway Company's Subdivision;

Thence north along said west line of the Central Terminal Railway Company's Subdivision to an intersection with a north line of said subdivision (said north line being also the south line of a 10 foot wide vacated public alley lying south of and adjacent to Lots 8 to 3 inclusive in John Nutt's Subdivision of Lots 4, 5 and 6 in Block 52 of the Canal Trustee's Subdivision);

Thence east along said north line of Central Terminal Railway Company's Subdivision to an intersection with a west line of said Subdivision;

Thence north along said west line and the northward extension thereof, to an intersection with the centerline of West 14th Place;

Thence east along said centerline to an intersection with the original centerline of South Clinton Street;

Thence north along said original centerline to an intersection with the centerline of West Maxwell Street;

Thence west along said centerline to an intersection with the southward extension of the west line of South Clinton Street;

Thence north along said southward extension and along said west line and the northward extension thereof, crossing a 12 foot wide vacated alley, vacated West 13th Street, a vacated 12 foot wide vacated alley, vacated West 12th Place, a vacated 12 foot wide alley and that portion of West Roosevelt Road lying south of the original centerline of said road to an intersection with said original centerline;

Thence east along said centerline to the point of beginning;

In Cook County, Illinois.

C

TIF FUNDED IMPROVEMENTS¹

Exhibit C

1	Demolition	\$2,750,000
2.	Parking Area Site Work	\$300,000
3.	Off-Site Improvements	\$300,000
4.	Relocation Costs	\$200,000
5.	Environmental Remediation	\$200,000
6	Hard Cost Contingency ²	\$114,022
7.	TIF Consultant	\$20,000
8.	Other Eligible Soft Costs ³	\$317,046
	Title and Insurance Inspecting Architect Legal and Closing Appraisals Loan Fees Overhead and supervision MBE/WBE/Employment Consultant	
9.	Acquired interest in rear portions of site (Maxwell Street parking encumbrance) ⁴	\$298,932
	TOTAL⁵	\$4,500,000

- 1 Does not include interest incurred in connection with financing (construction or permanent) which may be eligible for reimbursement.
- 2 Amount based on percentage of "TIF-Funded Improvements" hard costs to total hard costs (x .228045).
- 3 For eligible items, amount based on same formula contained in footnote 2.
- 4 Net value of acquired interest is deemed to be \$540,000 based on street vacation value of \$500,000 deducted from total lost value of \$1,040,000 (per appraisal). In the event of a total net reduction in the total amounts of TIF-Funded Improvements in Items 1 through 8 above, Item 9 may be increased from \$298,932 to an amount not to exceed \$540,000, provided that total amount of TIF Funded Improvements shall not exceed the lesser of \$4.5 million and 22.11% of total project costs (see Note 5). Note that value of Developer's right-of-way dedication is included in net amount of street vacation.
- 5 In no event will face amount of City Note exceed lesser of (a) \$4.5 million and (b) 22.11% of total project costs. Subject to the total limit described in the preceding sentence and to the right of the City to approve TIF-Funded Improvements as described in this Agreement, to the extent that the actual amount incurred for any of the costs listed above is less than the amount listed in this Exhibit, any costs for an item listed above which in the aggregate exceed the amount listed above may also be considered as TIF-Funded Improvements even though such costs were, under the Project Budget, to be paid from sources other than City Funds.

F

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12-10-96

(9)

CONSTRUCTION LOAN ESCROW AGREEMENT

ESCROW NO. C 9600119 November 1, 1996
NEAR NORTH NATIONAL TITLE INSURANCE CORPORATION, ESCROWEE

At the request of SOO T, L.L.C., an Illinois limited liability company (hereinafter referred to as the "Owner"), LASALLE NATIONAL BANK, a national banking association (hereinafter referred to as the "Bank"), will deposit the proceeds of a \$14,950,000 construction loan (the "Loan") secured by a mortgage on the premises described in Exhibit A attached hereto (the "Premises"), located on Roosevelt Road between Clinton and Canal Streets, Chicago, Illinois.

You are authorized and directed to disburse the funds deposited hereunder pursuant to statements of amounts due, approved by the Owner, after obtaining only such releases and satisfactions of mechanic's liens or waivers of mechanic's liens and sworn statements of the General Contractor (defined below), subcontractors and material suppliers required by Near North National Title Insurance Corporation (the "Title Company") to enable the Title Company to issue the insurance coverage herein specified.

The "Inspector" is to be Daniel Karlin and Associates, and the "General Contractor" is to be _____.

There will be periodic disbursements, which are to be made in accordance with the terms and conditions of this escrow as hereinafter set forth.

I. Prior to the first disbursement of funds hereunder, the following are requirements of this escrow:

A. The Escrowee shall be furnished:

1. An approval by the Bank of the condition of title to the Premises, provided that such approval shall be deemed to have been given if, as of the date of such disbursement, title to the Premises shows no encumbrance which is not a Permitted Encumbrance specified in Exhibit B attached hereto;
2. An approval by the Bank for loan disbursement purposes of the Owner's statement and the General Contractor's statement, which are provided at IA3 and IA4 below;
3. A sworn Owner's statement disclosing the various contracts entered into by the Owner and setting forth the names of the contractors, their

addresses, work or materials to be furnished, amounts of the contracts, amounts paid to date, amounts of current payments and balances due; and

4. A sworn General Contractor's statement setting forth in detail all contractors and material suppliers with whom it has contracted, their addresses, work or materials to be furnished, amounts of the contracts, amounts paid to date, amounts of current payments and balances due; and

B. The Escrowee shall be prepared to furnish to the Bank an ALTA Construction Loan Policy - 1994, with mechanic's lien coverage, covering the requested disbursement, with coverage over the general exceptions in Schedule B of such policy, subject only to the Permitted Encumbrances referred to in IAl above, and including the following endorsements (the "Title Policy"):

1. Comprehensive 1**
2. Modified Zoning 3.1 (modified as to parking spaces based on Site Plan for Dominick's development)**
3. Usury
4. Variable Rate 6
5. Location 1
6. Survey (including location of easements)
7. Access
8. Restriction
9. Deletion of Exclusions 3(e) and 8 (Creditor's Rights)

or if the Title Policy has been previously issued, the Escrowee shall be prepared to furnish the Title Company's standard endorsements covering the date and the amount of the requested disbursement.

**Modified forms of these endorsements based on review by the Title Company of final Plans and Specifications are to be issued when final Plans and Specifications are available.

C. The Bank, or Alvin L. Kruse or Elizabeth Pfeiler Strand of Seyfarth, Shaw, Fairweather & Geraldson, attorneys for the Bank, shall have given written authorization to the Escrowee for such disbursement.

II. Prior to each disbursement of funds hereunder, it is a requirement of this escrow that the Escrowee be furnished:

A. A sworn Owner's statement disclosing the various contracts entered into by the Owner and setting forth

the names of the contractor's, their addresses, work or materials to be furnished, amounts of the contracts, amounts paid to date, amounts of current payments and balances due;

- B. A sworn General Contractor's statement setting forth all contractors and materialmen with whom it has contracted, amounts of contracts, amounts paid to date, amounts of current payments and balances due;
- C. A written approval by the Owner of the requested disbursement;
- D. A report or certification by the Inspector (named above) certifying that work has been completed and materials are in place as indicated by the request for payment of the General Contractor;
- E. Sufficient funds to cover the requested disbursements and to pay for extras or change orders for which waivers have not been deposited and for which funds have not previously been deposited;
- F. Statements, waivers, affidavits, supporting waivers, and releases of lien from such persons and in such form as may be required by the Title Company for the purpose of providing the title insurance coverage specified herein (collectively, the "waiver package"); provided, however, that the waiver package may be submitted not later than the date of the next subsequent disbursement of funds hereunder if the Title Company is willing to issue its Date Down Endorsement to the Title Policy to cover such disbursement, which endorsement shall show no encumbrances other than Permitted Encumbrances, and its Interim Mechanic's Lien Endorsement to the Title Policy to cover such disbursement, in each case without having received the waiver package at the time of the disbursement to which the same relates.

III. All disbursements for construction purposes will be made by the Escrowee directly to, or as directed by, the Owner; provided that if the Escrowee is notified by the Bank that an event of default has occurred and is continuing under the documents evidencing and securing the Loan, or that any event has occurred or any condition exists which with the passage of time or the giving of notice, or both, would constitute such an event of default, the Escrowee will, at the direction of the Bank, make such disbursements directly or through any contractor or subcontractor or materialman or other person entitled to receive payment. In the event that the Owner and any contractor or subcontractor jointly authorize the Escrowee

to pay any funds due one to the other, the Escrowee may comply with such authorization. However, it is the intention of the parties named herein and signatory hereto that no person not a party signatory to this Agreement shall have the right to look to the Escrowee for any disbursement hereunder under a third party beneficiary theory or otherwise, and that the Escrowee owes no duty to any such third party to make any disbursement.

- IV. As the Escrowee makes a partial disbursement of mortgage proceeds hereunder, it will furnish the Bank the Title Company's standard endorsements covering the date and the amount of each requested disbursement and raising no new exceptions which are not Permitted Encumbrances referred to in IAI above.
- V. Prior to the final disbursement of the funds hereunder, it is a requirement of this escrow that the Title Company be prepared to furnish its final title insurance policy with mechanics lien coverage, covering the date of the final disbursement, in the amount of the total amount disbursed by the Bank, and conforming to requirements of Sections IB and IV of this Agreement. With respect to the condition of title, the liability of the Escrowee in making any disbursements in reliance upon the title evidence referred to above shall not extend to the determination of whether or not it is acceptable to the Bank, the furnishing of funds for disbursement being considered the acceptance of title as so reported.
- VI. If at any time during the course of construction the total of the unpaid disclosed cost of construction indicated by the column totals on the General Contractor's sworn statement exceeds the amount of the undisbursed mortgage proceeds as calculated by subtracting the total amount of liability taken on the endorsements from the face amount of the mortgage, the Escrowee need not make further disbursements under the terms of this escrow until the Owner has deposited in this escrow the sum necessary to make the available funds equal to the unpaid disclosed cost of construction, or unless specifically directed to do so by the Bank. Also, if the Escrowee discovers a misstatement in an affidavit furnished by the General Contractor or the Owner, it may stop disbursement until the misstatement has been corrected. The Escrowee has no liability hereunder to the Owner relating to protection against mechanic's lien claims.
- VII. The functions and duties assumed by the Escrowee include only those described in this Agreement, and the Escrowee is not obligated to act except in accordance with the terms and conditions of this escrow. The Escrowee does

not insure that the building will be completed, nor does it insure that the building, when completed, will be in accordance with plans and specifications, nor that sufficient funds will be available for completion, nor does it make the certifications of the Inspector its own, nor does it assume any liability for same other than procurement as one of the conditions precedent to each disbursement.

VIII. Bill all title and escrow charges to the Owner at the address listed above.

Escrow fees are payable when billed. If escrow fees are not paid within 10 days of billing, the Escrowee may cease making any further disbursements until escrow fees have been paid.

An Annual Maintenance Fee, as determined by the then current rate schedule, will commence on the date of the execution of this Agreement and may be deducted from the funds on deposit.

IX. General Conditions:

At any time prior to its commencement of disbursement of funds hereunder, the Escrowee reserves the right to decline commencement of disbursement of funds if the Title Company declines any risk offered for insurance hereunder, whereupon the Escrowee shall return to the Bank any documents in its possession relating to such loan and the funds received by it. Commencement of disbursement makes this agreement effective as to all funds received and disbursed on the construction in question.

Where, after the first disbursement, a further title search reveals a subsequently arising exception over which the Title Company is unwilling to insure, the Escrowee will notify the Bank and may discontinue disbursement until the exception has been disposed of to the satisfaction of the Bank. A mechanic's lien claim over which the Title Company is required to insure hereunder does not warrant a discontinuance of disbursement.

The Escrowee has no liability for loss caused by an error in the certification furnished it hereunder as to work in place.

The Escrowee shall not be responsible for any loss of documents or funds while such documents or funds are not in its custody. Documents or funds deposited in the United States mail shall not be construed as being in custody of the Escrowee.

In the event of default as declared by the Bank and/or foreclosure by the Bank, the Escrowee shall have the right to discontinue further disbursements under this Agreement.

Deposits made pursuant to these instructions may be invested on behalf of any party or parties hereto; provided, that any direction to the Escrowee for such investment shall be expressed in writing and contain the consent of all other parties to this Agreement, and also provided that the Escrowee is in receipt of the taxpayer identification number and investment forms as required. The Escrowee will, upon request, furnish information concerning its procedures and fee schedules for investment.

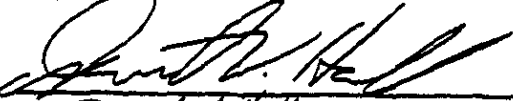
Except as to deposits of funds for which the Escrowee has received express written direction concerning investment or other handling, the parties hereto agree that the Escrowee shall be under no duty to invest or reinvest any deposits at any time held by it hereunder; and, further, that the Escrowee may commingle such deposits with other deposits or with its own funds in the manner provided for the administration of funds under Section 2-8 of the Illinois Corporate Fiduciary Act, 205 ILCS 620/2-8 (1994), and may use any part or all such funds for its own benefit without obligation to any party for interest or earnings derived thereby, if any. However, nothing herein shall diminish the Escrowee's obligation to apply the full amount of the deposits in accordance with the terms of this Agreement.

In the event the Escrowee is requested to invest deposits hereunder, the Escrowee is not to be held responsible for any loss of principal or interest which may be incurred as a result of making the investments or redeeming said investment for the purposes of this escrow.

- X. The undersigned agree that this Agreement is not intended by any of the undersigned to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation other than the Escrowee, the Bank and the Owner as a third party beneficiary or otherwise under any theory of law.
- XI. This Agreement shall govern the performance of the Escrowee under this escrow. Notwithstanding anything to the contrary herein contained, the provisions of this Agreement shall not supersede the terms of that certain Construction Loan Agreement dated as of September 1, 1996, by and among the Owner and the Bank, and as between the Bank and the Owner in the event of any conflict between the provisions of such Construction Loan Agreement and the

provisions of this Agreement, the provisions of such Construction Loan Agreement shall control.

SOO T, L.L.C.

By 
David V. Hall, Attorney

"Owner"

LASALLE NATIONAL BANK

By 
Elizabeth Pfeiler Strand, Attorney

"Bank"

Accepted, NEAR NORTH NATIONAL TITLE CORPORATION,
Escrowee

By 
Title: Construction Escrow Officer

"Escrowee"

The undersigned acknowledges that it is neither a party to the Construction Loan Escrow Agreement, nor does that Agreement confer any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation other than the Escrowee, the Bank and the Owner under a third party beneficiary theory or otherwise under any theory of law.

The undersigned agrees that the improvement referred to in the Construction Loan Escrow Agreement will be constructed and completed in strict accordance with plans and specifications and the building contract. The undersigned also concurs in the above escrow instructions signed by the Owner and the Bank or their representatives.

By _____
Title:

"General Contractor"

EXHIBIT A

LEGAL DESCRIPTION

BLOCKS 1 THROUGH 4 IN CENTRAL TERMINAL RAILWAY COMPANY'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED JULY 22, 1914 AS DOCUMENT 5462416; ALSO THE SOUTH 7 FEET OF VACATED 15TH STREET LYING NORTH OF AND ADJOINING SAID BLOCK 5 (EXCEPT THE WEST 200 FEET OF SAID SOUTH 7 FEET) ALSO EXCEPTING THEREFROM LOT A IN BLOCK 1 OF SAID SUBDIVISION IN SECTION 21, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

TOGETHER WITH ALL OF MAXWELL STREET LYING BETWEEN SAID BLOCKS 1 AND 2 AND ALSO ALL OF FOURTEENTH STREET LYING BETWEEN BLOCKS 2 AND 3 IN SAID SUBDIVISION.

EXHIBIT B

PERMITTED ENCUMBRANCES

1. Liens for ad valorem taxes and special assessments not then delinquent.
2. Construction Loan Mortgage and Security Agreement, Construction Loan Assignment of Rents and Leases, and Uniform Commercial Code Financing Statements, each in favor of the Bank.
3. Special Exceptions E, H and I in Schedule B of Near North National Title Insurance Corporation Commitment No. dated October 31, 1996.
4. The lease or leases described in Exhibit C attached hereto.

EXHIBIT C

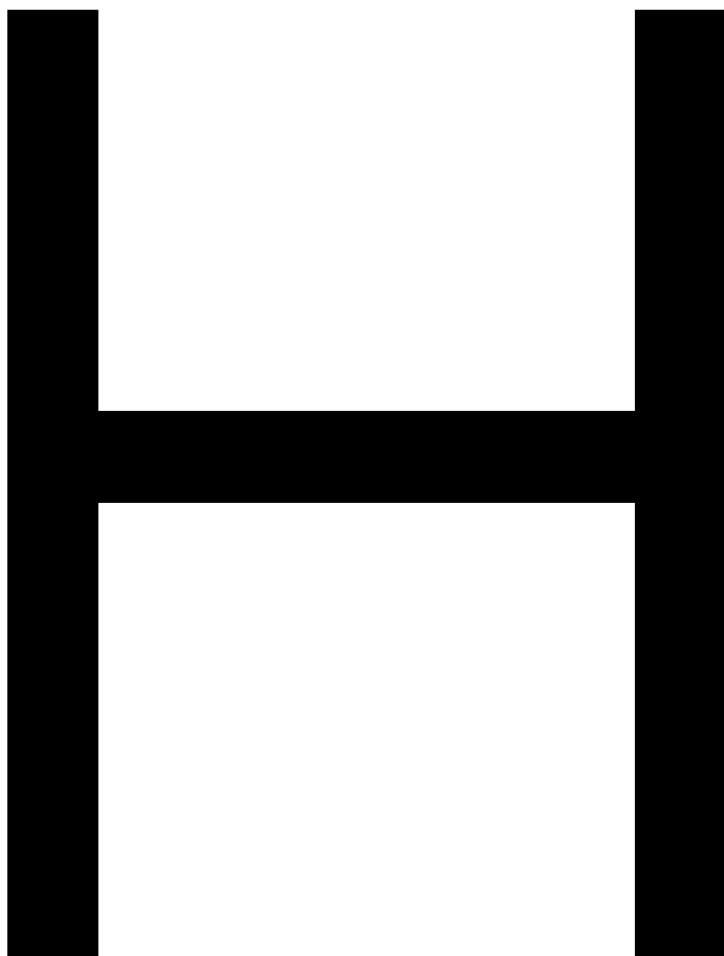
SCHEDULE OF LEASES

<u>Lessor</u>	<u>Lessee</u>	<u>Date of Lease</u>	<u>Premises</u>
Soo T. L.L.C.	Dominick's Finer Foods, Inc.	06/03/96	Approx. 70,000 Square Feet, South Loop Marketplace, Roosevelt Road between Canal and Clinton Streets, Chicago, Illinois

G

PERMITTED EXCEPTIONS

1. GENERAL REAL ESTATE TAXES FOR THE YEARS 1996 AND 1997 AND SUBSEQUENT YEARS WHICH ARE NOT YET DUE AND PAYABLE.
2. ORDER ENTERED MAY 13, 1987 IN CASE NUMBER 87L50219 THAT PURSUANT EASEMENT TO PARCEL O11PE HEREINAFTER DESCRIBED AND WAS VESTED IN THE DEPARTMENT OF TRANSPORTATION OF THE STATE OF ILLINOIS FOR AND ON BEHALF OF THE STATE OF ILLINOIS ON APRIL 28, 1987.
3. CONSTRUCTION MORTGAGE DATED AS OF NOVEMBER 1, 1996 MADE BY SOO T, L.L.C. TO LASALLE NATIONAL BANK RECORDED AS DOCUMENT NUMBER 96942977.
4. CONSTRUCTION LOAN ASSIGNMENT OF RENTS AND LEASES DATED AS OF NOVEMBER 1, 1996 MADE BY SOO T, L.L.C., TO LASALLE NATIONAL BANK RECORDED DECEMBER 13, 1986 AS DOCUMENT NUMBER 96942978.
5. SECURITY INTEREST OF LASALLE NATIONAL BANK UNDER A FINANCING STATEMENT EXECUTED BY SOO T, L.L.C., FILED DECEMBER 13, 1996 AS DOCUMENT NUMBER 96U15749.
6. COVENANTS, CONDITIONS AND RESTRICTIONS WHICH MAY BE PLACED OF RECORD AFTER THE DATE HEREOF FROM TIME TO TIME AS MAY BE DEEMED NECESSARY OR DESIRABLE BY SOO T, L.L.C. IN ORDER TO DEVELOP THE SUBJECT PROPERTY, BUT IN NO EVENT SHALL THE SAME BE INCONSISTENT WITH THE TERMS OF THE REDEVELOPMENT AGREEMENT WITH THE CITY OF CHICAGO; PROVIDED, HOWEVER, THAT NO LIENS PLACED OF RECORD AFTER THE DATE HEREOF SHALL BE DEEMED A "PERMITTED MORTGAGE" UNDER THE REDEVELOPMENT AGREEMENT UNLESS CONSENTED TO BY THE CITY OF CHICAGO PURSUANT TO THE REDEVELOPMENT AGREEMENT.



SCHEDULE V.A - PROJECT BUDGET

EXHIBIT H

PROJECT: 300 LINE TERMINAL
LOCATION: CHICAGO

ACREAGE: 12.580
SQUARE FEET: 547,985

07/29/96
 02:17 PM

FINANCIAL CRITERIA:

ESTIMATED TIME TO COMPLETE REDEVELOPMENT (MONTHS) 12.00
AVERAGE OUTSTANDING BALANCE OF CONSTRUCTION LOAN 50.00%
CONSTRUCTION PERIOD INTEREST RATE 9.75%

HARD COSTS

ACQUISITION COSTS		\$2,715,000
DEMOLITION COSTS		\$2,750,000
PURCHASE OF VACATED STREETS		\$0
SITE WORK	\$2.75 PSF	\$1,506,938
SITE WORK - PARKING LOT LIGHTING & FENCING		\$300,000
CONSTRUCTION COSTS		\$5,300,000
TENANT IMPROVEMENTS	\$16.00 PSF ON SHOPS	\$400,000
OFF-SITE IMPROVEMENTS		\$300,000
HARD COST - CONTINGENCY		\$500,000
ENVIRONMENTAL REMEDIATION		\$200,000
TESTING		\$25,000
GOVERNMENT CHARGES		\$50,000
TENANT RELOCATION COSTS		\$200,000
ARCHITECTURE & ENGINEERING	<i>allocate</i>	\$350,000
CONSTRUCTION PERIOD INTEREST		\$587,125
REAL ESTATE TAXES DURING CONSTRUCTION		\$250,000
TOTAL HARD COSTS		\$16,444,083

SOFT COSTS

SOFT COST - CONTINGENCY		\$100,000
TITLE and INSURANCE		\$25,000
INSPECTING ARCHITECT		\$20,000
LEGAL and CLOSING COSTS		\$300,000
MARKETING		\$25,000
APPRAISALS		\$15,000
LEASING COMMISSIONS		\$380,000
LOAN FEES		\$542,000
OVERHEAD & SUPERVISION		\$488,278
TOTAL SOFT COSTS		\$1,905,278

ESTIMATED OUTLOT BUILDING CONSTRUCTION COSTS \$2,000,000

TOTAL ESTIMATED DEVELOPMENT COSTS OF SUBJECT PROPERTY: \$20,349,361

T.I.F. AS A PERCENTAGE OF TOTAL ESTIMATED PROJECT COSTS 22.11%



3rd 10/1/97 P. 22/84
 Spring

Vendor	Date of Invoice	Invoice Total	Grand Total	Explanation
Paid by Soc T, LLC/MSA				
Abatangelo-Hason	06/30/96	1,383.80	1,383.80	A & E
Airborne Express	11/18/96	20.88	20.88	Miscellaneous
Becker & Gurian	08/10/96	2,895.50		Legal
Becker & Gurian	09/10/96	743.75		Legal
Becker & Gurian	09/10/96	1,040.00	4,679.35	Legal
Brandenberg Construction	01/31/97	313,210.00		Demolition
Brandenberg Construction	12/31/96	334,588.00		Demolition
Brandenberg Construction	02/28/97	302,382.00	950,170.00	Demolition
Camros	07/31/96	432.10		A & E
Camros	08/27/96	405.00	537.10	A & E
Camros (TIF)	07/31/96	1,593.16	1,593.16	TIF Consulting
Chicago - Bureau of Electricity	12/12/96	27,600.00		Operating - Deposit
Chicago - Dept of Water	12/12/96	12,300.00		Operating - Deposit
City of Chicago - Dept of Rev	01/01/97	620.40	40,420.40	Operating - Maintenance
Commercial Resources	12/11/96	1,825.00	1,825.00	Operating - Maxwell Street
Cook County Collector (Taxes)	08/10/96	95,291.10		Real Estate Taxes
Cook County Collector (Taxes)	03/01/97	98,381.67	193,672.97	Real Estate Taxes
Developer's Fee	01/31/96	150,000.00		Development Fee
Developer's Fee	12/16/96	100,000.00		Development Fee
Developer's Fee	03/19/97	25,000.00	275,000.00	Development Fee
Edward Cahon & Assoc.	11/11/96	25.00		A & E
Edward Cahon & Assoc.	01/10/97	57.86	82.86	A & E
Epstein & Sons	07/31/96	8,081.00		A & E
Epstein & Sons	08/31/96	2,443.07		A & E
Epstein & Sons	11/05/96	13,573.06		A & E
Epstein & Sons	12/03/96	9,218.10		A & E
Epstein & Sons	12/31/96	17,524.83		A & E
Epstein & Sons	01/31/97	20,427.06		A & E
Epstein & Sons	02/28/97	17,172.78	88,417.98	A & E
Ground Engineering	12/29/96	1,926.00		A & E
Ground Engineering	02/08/97	2,045.00		A & E
Ground Engineering	03/16/97	1,450.00	5,420.00	A & E
Harris Company	08/01/96	500.00		Parking lot ramp repave
Harris Company	08/21/96	8,672.45	9,372.45	Parking lot ramp repave
Harris Company	02/12/97	1,620.00		Operating - Snow Removal
Harris Company	02/14/97	2,045.00		Operating - Snow Removal
Harris Company	02/18/97	1,375.00		Operating - Snow Removal
Harris Company	02/28/97	1,600.00	6,640.00	Operating - Snow Removal
HSA Rebill (Best Photo)	09/30/96	75.24		A & E
HSA Rebill (Blueprint Shoppe)	09/30/96	66.82		A & E
HSA Rebill (Blueprint Shoppe)	09/30/96	69.40	201.46	A & E
HSA Rebill	10/31/96	1,065.41	1,065.41	Miscellaneous
Karin & Associates	01/23/97	650.00		Inspecting Architect
Karin & Associates	02/18/97	650.00		Inspecting Architect
Karin & Associates	03/19/97	650.00	1,950.00	Inspecting Architect
Kovalev & Associates	10/18/96	3,600.00	3,600.00	Appraisal Report
LaSalle Bank	01/31/96	1,982.02		Line of Credit Fee
LaSalle Bank (Appraisal)	12/18/96	7,600.00		Appraisal
LaSalle Bank (Legal)	12/18/96	17,868.00		Legal
LaSalle Bank (Post Closing)	12/18/96	500.00	27,650.02	Miscellaneous
Leasing Commissions	11/21/96	73,862.80		Leasing Commissions
Leasing Commissions	02/18/97	3,000.00	76,862.80	Leasing Commissions - 1st
Line of Credit Interest	12/31/96	4,151.87		Miscellaneous
Line of Credit Interest	01/22/97	7,084.70		Miscellaneous
Line of Credit Interest	02/28/97	280.70	11,907.27	Miscellaneous
Loan Fees	12/16/96	224,750.00	224,750.00	Loan Finance Fee
LC to TIAA	12/18/96	298,000.00	298,000.00	
McCann & Associates	12/02/96	4,006.78	4,006.78	A & E City's confirmation app
Near North Title Corp	12/17/96	18,404.38	18,404.38	Closing/Title Insurance
Philip Leboy Architects	08/24/96	41.01		A & E
Philip Leboy Architects	10/03/96	2,957.50		A & E
Philip Leboy Architects	10/17/96	62.87		A & E
Philip Leboy Architects	10/29/96	1,543.75	4,605.13	A & E
Protection Inc.	02/17/97	265.00		Operating - Patrol Svcs.
Protection Inc.	02/24/97	265.00	530.00	Operating - Patrol Svcs.
Rudnick & Wolfe	07/30/96	2,438.32		Legal
Rudnick & Wolfe	08/16/96	800.63		Legal
Rudnick & Wolfe	08/28/96	15,807.20		Legal
Rudnick & Wolfe	08/28/96	14,718.80		Legal
Rudnick & Wolfe	08/28/96	9,727.85		Legal
Rudnick & Wolfe	08/27/96	17,380.30		Legal
Rudnick & Wolfe	10/17/96	18,224.99		Legal
Rudnick & Wolfe	11/12/96	21,006.04		Legal

Exhibit I
 pg 1

Paid by See T, LLC/MSA Vendor	Date of Invoice	Invoice Total	Grand Total	Explanation
Rudnick & Wolfe	12/30/96	23,069.75		Legal
Rudnick & Wolfe	01/30/97	19,736.21		Legal
Rudnick & Wolfe	02/26/97	8,025.64	146,738.63	Legal
Target Group	09/20/96	5,000.00		MBE
Target Group	10/20/96	5,000.00		MBE
Target Group	11/20/96	5,000.00		MBE
Target Group	12/20/96	5,000.00		MBE
Target Group	01/20/97	1,000.00		MBE
Target Group	01/20/97	4,000.00		MBE
Target Group	02/20/97	1,000.00		MBE
Target Group	02/20/97	4,000.00	30,000.00	MBE
Teacher's Loan Fee	08/27/96	149,500.00		Loan/Finance Fee
Teacher's (Appraisal Reim)	09/25/96	12,000.00		Appraisal
Teacher's (Inspect. Arch Reim)	09/25/96	15,000.00		Inspecting Architect
Teacher's (Testing Reim)	09/25/96	7,500.00	185,000.00	A & E
Tenant Relo - Hefal Broad	10/02/96	154,377.00		Tenant Relocation
Tenant Relo - Kroeschell Eng	09/17/96	13,750.00	168,127.00	Tenant Relocation
J S. Dismantlment Corp	10/29/96	6,283.07	6,283.07	Demolition
Webster McGrath Ahlberg	11/14/96	850.00		A & E
Webster McGrath Ahlberg	11/27/96	2,800.00		A & E
Webster McGrath Ahlberg	01/21/97	285.00		A & E
Webster McGrath Ahlberg	02/20/97	300.00	4,305.00	A & E
ABC Board-Up Company	10/31/97	445.00	445.00	Miscellaneous
Blueprint Shoppe	03/24/97	15.00	15.00	A&E
Brandenberg Constructors	03/31/97	383,372.00	383,372.00	Demolition
CSC Networks	08/24/96	800.00	800.00	Legal
Edward Cohen & Assoc.	07/07/97	10,000.00	10,000.00	A & E
Harris Company	11/12/96	7,514.00		Parking Repavement
Harris Company	01/27/97	3,655.00		Operating - Snow Removal
Harris Company	01/31/97	1,800.00	12,969.00	Operating - Snow Removal
HSA Rabl	12/01/96	39.10		Miscellaneous
HSA Rabl	12/01/96	25.00		Miscellaneous
HSA Rabl (Blueprint Shoppe	12/01/96	20.28		A & E
HSA Rabl (Blueprint Shoppe	12/01/96	37.68	122.06	A & E
Karin & Associates	04/02/97	650.00	650.00	Inspecting Architect
Near North Insurance	11/18/96	1,088.00		Insurance
Near North Insurance	12/09/96	1,088.00		Insurance
Near North Insurance	01/13/97	1,088.00		Insurance
Near North Insurance	02/24/97	1,088.00		Insurance
Near North Insurance	03/10/97	1,088.00		Insurance
Near North Insurance	04/01/97	1,088.00	6,528.00	Insurance
Phillip Leboy Associates	08/06/96	623.58		A & E
Phillip Leboy Associates	04/04/97	164.10	787.68	A & E
Rudnick & Wolfe	03/21/97	5,062.48	5,062.48	Legal - Zoning and TIF
Target Group	03/20/97	1,000.00		MBE
Target Group	03/20/97	4,000.00	5,000.00	MBE
Tigerhill Studio	03/28/97	184.88		A & E
Tigerhill Studio	03/03/97	388.88		A & E
Tigerhill Studio	03/31/97	477.44	1,041.83	A & E
Unico Services	12/27/96	62.88		Operating - Maintenance
Unico Services	02/07/97	3,040.76		Operating - Maintenance
Unico Services	03/07/97	1,508.00	4,612.61	Operating - Maintenance
Webster McGrath Ahlberg	08/31/97	480.00		A&E
Webster McGrath Ahlberg	04/08/97	1,139.00		A&E
Webster McGrath Ahlberg	04/08/97	422.00		A&E
Webster McGrath Ahlberg	04/08/97	248.00	2,289.00	A&E
Brandenberg Industrial Svc	04/30/97	638,888.00		Demolition
Brandenberg Industrial Svc	05/30/97	333,037.00		Demolition
Brandenberg Industrial Svc	06/30/97	80,476.50	1,052,412.50	Demolition
Camros	04/16/97	6,176.40		A&E
Camros	04/30/97	12,234.25		A&E
Camros	06/18/97	1,728.47	20,139.12	A&E
Edward Cohen & Assoc.	03/01/97	5,000.00		A&E
Edward Cohen & Assoc.	03/01/97	15.00		Soft Cost/A&E Reimbursables
Edward Cohen & Assoc.	03/23/97	10,000.00		A&E
Edward Cohen & Assoc.	08/23/97	58.00		Soft Cost/A&E Reimbursables
Edward Cohen & Assoc.	08/23/97	108.98		Soft Cost/A&E Reimbursables
Edward Cohen & Assoc.	08/28/97	20,000.00	35,179.98	A&E
Epstein & Sons	04/30/97	4,405.84		A&E
Epstein & Sons	08/31/97	5,282.81		A&E
Epstein & Sons	08/30/97	8,444.66	18,133.31	A&E
Geraghty & Miller	04/16/97	1,213.98		Testing/Revelop. Consultant
Geraghty & Miller	04/25/97	188.62		A&E

Exhibit I
pg 2

Info under this line was added in 3/97.

Info under this line was added in 7/97.

Vendor	Date of Invoice	Invoice Total	Grand Total	Explanation
Paid by Sco T. LLC/HSA				
O'neighy & Miller	06/16/97	772.90	1,576.70	Testing/Redevelop Consultant
Ground Engineering Consulta	06/07/97	11,905.00	11,905.00	A&E
Karlin & Associates	05/06/97	650.00		Inspecting Architect
Karlin & Associates	05/30/97	650.00	1,300.00	Inspecting Architect
Peoples Gas Company	05/30/97	6,600.00	6,600.00	Hard Cost - Gas Pipes
Ravenswood Special Events	06/01/97	323.00	323.00	Soft Cost - Maxwell Security
Rudnick & Wolfe	06/12/97	3,591.41	3,591.41	Legal - Street Preservation
Target Group	02/28/97	25.60		Soft Cost/MBE Reimbursables
Target Group	04/20/97	1,000.00		MBE
Target Group	04/20/97	4,000.00		MBE
Target Group	05/20/97	1,000.00		MBE
Target Group	05/20/97	4,000.00		MBE
Target Group	06/02/97	4,000.00		MBE
Target Group	06/20/97	1,000.00		MBE
Target Group	07/20/97	4,000.00		MBE
Target Group	07/20/97	25.61		Soft Cost/MBE Reimbursables
Target Group	07/20/97	1,000.00	20,051.41	MBE
Testing Service Corp	04/30/97	6,247.72		Soft Cost - Dominicks
Testing Service Corp	05/16/97	2,122.46		Soft Cost - Dominicks
Testing Service Corp	06/30/97	5,342.47	16,412.65	Soft Cost - Shops Bldg
The Blueprint Shoppe	06/26/97	1,040.12		Soft Costs
The Blueprint Shoppe	06/26/97	243.09	1,283.21	Soft Costs
Tigerhill Studio	05/01/97	371.99		Soft Costs
Tigerhill Studio	06/02/97	479.44		Soft Costs
Tigerhill Studio	07/01/97	479.44	1,330.57	Soft Costs
Webster McGrath Ahlberg	04/22/97	7,323.25		A&E
Webster McGrath Ahlberg	04/22/97	646.00		A&E
Webster McGrath Ahlberg	05/07/97	612.00		A&E
Webster McGrath Ahlberg	06/29/97	413.50		A&E
Webster McGrath Ahlberg	07/17/97	490.50		A&E
Webster McGrath Ahlberg	07/17/97	601.00		A&E
Webster McGrath Ahlberg	07/17/97	608.20	10,694.25	A&E
			4,427,296.64	

Exhibit I
Pg 3

J

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

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

_____, 1993

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to Soo T, L.L.C., an Illinois limited liability company (the "Developer"), in connection with the purchase of certain land and the construction of certain facilities thereon located in the Roosevelt-Canal Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

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

In addition to the foregoing, we have examined

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

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

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

_____, 1993

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

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[(b) the Escrow Agreement of even date herewith executed by the Developer and the City;]

(c) [insert other documents including but not limited to documents related to purchase and financing of the Property and all lender financing related to the Project]; and

(d) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

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

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

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

Based on the foregoing, it is our opinion that:

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

2. The Developer has full right, power and authority to execute and deliver the Documents to which it is a party and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Articles of Organization or operating agreement or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing, other than in favor of [Lender].

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

4. Each of the Documents to which the Developer is a party has been duly executed and delivered by a duly authorized officer of the Developer, and each such Document constitutes the legal, valid and binding obligation of the Developer, enforceable

in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto identifies each member of the Developer.

6. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

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

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

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

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

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

We are attorneys admitted to practice in the State of

Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

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

Very truly yours,

By: _____

Name: _____

K

ROOSEVELT CANAL TIF

EXHIBIT K

YEAR	ASSESSED VALUE	ESTIMATED MULTIPLIER	EQUALIZED ASS. VALUE	LESS E.A.V. BASE	INCREMENTAL E.A.V.	EST. TAX RATE	ESTIMATED INCREMENTAL TAXES	ESTIMATED TOTAL TAXES
1997	\$888,876	2.1243	\$1,463,379	(\$2,105,553)	\$0	9.345%	\$0	\$138,753
1998	\$3,000,000	2.1243	\$6,372,900	(\$2,105,553)	\$4,267,347	9.345%	\$398,784	\$595,548
1999	\$3,000,000	2.1243	\$6,372,900	(\$2,105,553)	\$4,267,347	9.345%	\$398,784	\$595,548
2000	\$3,231,000	2.1243	\$6,863,613	(\$2,105,553)	\$4,758,060	9.345%	\$444,641	\$641,405
2001	\$3,231,000	2.1243	\$6,863,613	(\$2,105,553)	\$4,758,060	9.345%	\$444,641	\$641,405
2002	\$3,231,000	2.1243	\$6,863,613	(\$2,105,553)	\$4,758,060	9.345%	\$444,641	\$641,405
2003	\$3,479,787	2.1243	\$7,392,112	(\$2,105,553)	\$5,286,559	9.345%	\$494,029	\$690,793
2004	\$3,479,787	2.1243	\$7,392,112	(\$2,105,553)	\$5,286,559	9.345%	\$494,029	\$690,793
2005	\$3,479,787	2.1243	\$7,392,112	(\$2,105,553)	\$5,286,559	9.345%	\$494,029	\$690,793
2006	\$3,747,731	2.1243	\$7,961,304	(\$2,105,553)	\$5,855,751	9.345%	\$547,220	\$743,984
2007	\$3,747,731	2.1243	\$7,961,305	(\$2,105,553)	\$5,855,752	9.345%	\$547,220	\$743,984
2008	\$3,747,731	2.1243	\$7,961,305	(\$2,105,553)	\$5,855,752	9.345%	\$547,220	\$743,984
2009	\$4,036,306	2.1243	\$8,574,326	(\$2,105,553)	\$6,468,772	9.345%	\$604,507	\$801,271
2010	\$4,036,306	2.1243	\$8,574,325	(\$2,105,553)	\$6,468,772	9.345%	\$604,507	\$801,271
2011	\$4,036,306	2.1243	\$8,574,325	(\$2,105,553)	\$6,468,772	9.345%	\$604,507	\$801,271
2012	\$4,347,102	2.1243	\$9,234,548	(\$2,105,553)	\$7,128,995	9.345%	\$666,205	\$862,988
2013	\$4,347,102	2.1243	\$9,234,549	(\$2,105,553)	\$7,128,998	9.345%	\$666,205	\$862,989
2014	\$4,347,102	2.1243	\$9,234,549	(\$2,105,553)	\$7,128,998	9.345%	\$666,205	\$862,989
2015	\$4,681,829	2.1243	\$9,945,609	(\$2,105,553)	\$7,840,056	9.345%	\$732,653	\$929,417
2016	\$4,681,829	2.1243	\$9,945,609	(\$2,105,553)	\$7,840,056	9.345%	\$732,653	\$929,417
2017	\$4,681,829	2.1243	\$9,945,609	(\$2,105,553)	\$7,840,056	9.345%	\$732,653	\$929,417
2018	\$5,042,330	2.1243	\$10,711,421	(\$2,105,553)	\$8,605,868	9.345%	\$804,218	\$1,000,982
2019	\$5,042,330	2.1243	\$10,711,422	(\$2,105,553)	\$8,605,869	9.345%	\$804,218	\$1,000,982
2020	\$5,042,330	2.1243	\$10,711,422	(\$2,105,553)	\$8,605,869	9.345%	\$804,218	\$1,000,982

312 368 498 87 CORP COUNSEL; #3
FROM RUDNICK/WOLFE 312 368 4988

4-3-07; 12:54PM;
4-03-1997 12:53PM



EXHIBIT L

CONDITIONAL PROVISIONS

Real Estate Provisions.

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

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

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

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

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

(b) Real Estate Taxes.

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

(ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer 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.

(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 Project up to (but not above) the Minimum Assessed Value as shown in Exhibit K.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Exhibit L 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 Exhibit L to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section (b) of this Exhibit L.

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

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable.

M

EXHIBIT M
PAYMENT FORM

State of Illinois)
) SS
COUNTY OF COOK)

The affiant, _____, _____ of Soo T, L.L.C. (the "Developer"), being duly sworn on oath deposes and says that the Developer is the owner of the Property as defined in that certain Soo T, L.L.C. Redevelopment Agreement between the Developer and the City of Chicago dated _____, 1997 (the "Agreement") and that:

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

[Description]	\$ _____
Total	\$ _____
22.11% of the Total is equal to	\$ _____

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

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

\$ _____

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

\$ _____

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

F. Attached are the following documents:

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

G. The Developer hereby certifies to the City that, as of

the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all covenants contained herein.

2. The Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens.

3. No event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred.

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

Soo T, L.L.C.,
an Illinois limited liability company

By: _____
Name
Title: _____

Subscribed and sworn before me this ___ day of _____
199___.

My commission expires: _____

Agreed and accepted:

Name
Title: _____
City of Chicago
Department of Planning and Development

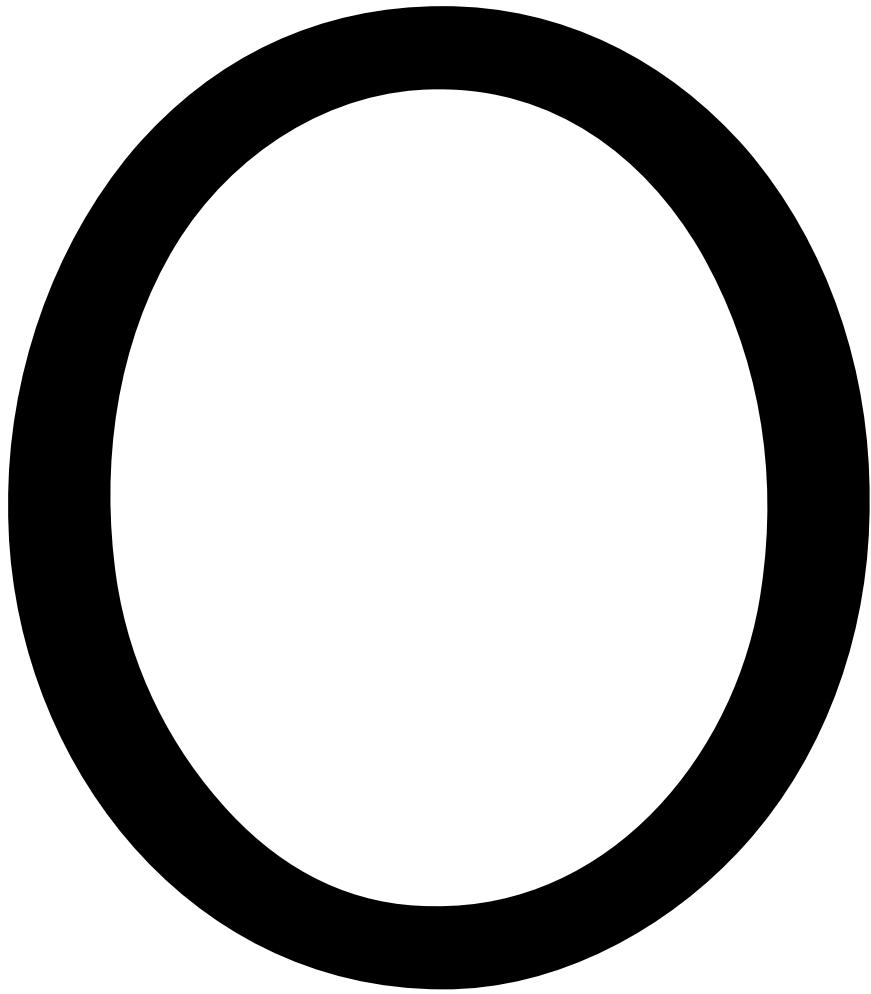


EXHIBIT O

PROHIBITED USES

1. offices (except as incidental to permitted retail or commercial uses or as may be found in similar retail or commercial centers, such as, without limitation, real estate offices, insurance offices and medical/dental offices);
2. funeral homes;
3. any production, manufacturing, industrial or storage use of any kind or nature, except for storage and/or production of products incidental to the retail sale thereof from the Facility;
4. entertainment or recreational facilities, including but not limited to, a bowling alley, skating rink, electronic or mechanical game arcade (except as an incidental use to a retail or commercial business, in which case such use shall be restricted to less than five percent (5%) of the floor area occupied by such business), theater, billiard room or pool hall, health spa or studio or fitness center, massage parlor, discotheque, dance hall, banquet hall, night club, bar or tavern, "head shop," pornographic or "adult" bookstore, tattoo parlor, racquetball court or gymnasium, or other place of public amusement;
5. training or educational facilities;
6. fast food restaurants (not including restaurants such as Boston Market, Bruegger's Bagels and Honey Baked Ham);
7. car washes, gasoline or service stations, or the displaying, repairing, renting leasing or sale of any motor vehicle, boat or trailer;
8. any use which creates a nuisance or materially increases noise or emission of dust, odor, smoke, gases or materially increases fire, explosion or radioactive hazards in the Facility; any business with drive-up or drive-through lanes, except a bank;
9. second hand or thrift stores, or flea markets;
10. any use involving Hazardous Materials, except as may be customary in first class neighborhood shopping centers in the Chicago metropolitan area.

P

EXHIBIT P

DESCRIPTION OF PROPERTY TO BE DEDICATED

See Attached

PLAT OF DEDICATION FOR STREET PURPOSES

DESCRIPTION OF LAND HEREBY DEDICATED:

THE WEST 6 FEET OF BLOCK ONE IN CENTRAL TERMINAL RAILWAY COMPANY'S
SUBDIVISION IN THE NORTHWEST QUARTER OF SECTION 21 TOWNSHIP 39 NORTH,
RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT
THEREOF RECORDED JULY 22, 1914 AS DOCUMENT 5462416 IN COOK COUNTY, ILLINOIS.

ROOSEVELT ROAD

6-32 E R - 334.72 M - 334.66

312 366 4986 ** CORP COUNSEL, 42
FROM RUDNICK/WOLFE 312 368 4986

RECEIVED 6 3 97, 10 02AM,
6-13-1997 10:08AM

STATE OF ILLINOIS
COUNTY OF COOK
THIS INSTRUMENT NO. _____
IN THE RECORDER'S OFFICE OF
ON THE _____ DAY OF
_____ O'CLOCK _____

Q

EXHIBIT Q

DESCRIPTION OF PROPERTY TO BE VACATED

See legal description in City Council ordinance passed on December 11, 1996, a copy of which is attached.

12/11/96

REPORTS OF COMMITTEES

36527

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. That the Superintendent of Maps, Ex Officio Examiner of Subdivisions, is hereby authorized and directed to approve a proposed Plat of Tony, Mike, Cristina and Jim's Resubdivision located 490.91 feet, more or less, south of the centerline of West 59th Street, having a frontage of 278.91 feet along the east line of South Western Avenue, and frontages of 66 feet at the intersection of West 62nd Street and South Oakley Avenue along the south and east lines of the last described streets respectively, also adjoining the east and easterly right-of-way line of the Baltimore and Ohio Chicago Terminal Railroad lying between the south line of West 62nd Street extended east and 490.91 feet, more or less, south of and parallel with the centerline of West 59th Street, as shown on the attached plat, when the necessary certificates are shown on said plat for American National Can Company (No. 18-15-96-2085).

SECTION 2. This ordinance shall take effect and be in force from and after its passage.

[Plat referred to in this ordinance omitted for printing purposes but on file and available for public inspection in the Office of the City Clerk.]

**VACATION OF PORTIONS OF WEST MAXWELL STREET AND
WEST 14TH STREET BETWEEN SOUTH CANAL
STREET AND SOUTH CLINTON STREET.**

The Committee on Transportation and Public Way submitted the following report:

CHICAGO, December 9, 1996.

To the President and Members of the City Council

Your Committee on Transportation and Public Way begs leave to recommend that Your Honorable Body *Pass* an ordinance vacating West Maxwell Street, lying between the west line of South Canal Street and the north extension of the east line of South Clinton Street; also West 14th Street, lying between the west line of South Canal Street and the east line of South Clinton Street. This ordinance was referred to the committee on December 9, 1996.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

On motion of Alderman Huels, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Aldermen Granato, Haithcock, Tillman, Preckwinkle, Holt, Steele, Beavers, Dixon, Shaw, Buchanan, Huels, Frias, Olivo, Burke, Jones, Coleman, Peterson, Murphy, Rugai, Troutman, Evans, Munoz, Zalewski, Chandler, Solis, Ocasio, Burnett, E. Smith, Burrell, Wojcik, Suarez, Gabinski, Mell, Austin, Colom, Banks, Giles, Allen, Laurino, O'Connor, Natarus, Bernardini, Hansen, Levar, Shiller, Schulter, M. Smith, Moore, Stone -- 49.

Nays -- None.

Alderman Natarus moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council of the City of Chicago, after due investigation and consideration, has determined that the nature and extent of the public use and the public interest to be subserved is such as to warrant the vacation of part of public streets described in the following ordinance; now, therefore,

Be It Ordained by the City Council of the City of Chicago:

SECTION 1. All the part of West Maxwell Street, lying south of the south line of Lot 1, lying north of the north line of Lot 2, lying west of a line drawn from the southeast corner of Lot 1 to the northeast corner of Lot 2 and lying east of the northerly extension of the west line of Lot 2, all in Central Terminal Railway Company's Subdivision in the northwest quarter of Section 21, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois,

Also

that part of West 14th Street lying south of the south line of Lot 2, lying north of the north line of Lot 3, lying west of a line drawn from the southeast corner of Lot 2 to the northeast corner of Lot 3 and lying east of a line drawn from the southwest corner of Lot 2 to the northwest corner of Lot 3 all in Central Terminal Railway Co.'s Subdivision aforesaid, said part of public streets hereby vacated, being further described as the vacation of West Maxwell Street lying between the west line of South Canal Street and the northerly extension of the east line of South Clinton Street produced north from south of the south line of West Maxwell Street, also West 14th Street lying between the west line of South Canal Street and the east line of South Clinton Street as shaded and indicated by the words "To Be Vacated" on the drawing hereto attached, which drawing for greater certainty, is hereby made a part of this ordinance, be and the same are hereby vacated and closed, inasmuch as the same is no longer required for public use and the public interest will be subserved by such vacations.

SECTION 2. The City of Chicago hereby reserves for the benefit of Commonwealth Edison Company, Ameritech Illinois, and Prime Cable of Chicago, Inc. or their successors or assigns, an easement to operate, maintain, construct, replace, and renew overhead poles, wires, and associated equipment and underground conduit, cables, and associated equipment for the transmission and distribution of electrical energy, telephonic, telecommunications and associated services under, over and along West Maxwell Street and West 14th Street as herein vacated, with the right of ingress and egress.

The City of Chicago hereby reserves for the benefit of the Peoples Gas Light and Coke Co. an easement to operate, maintain, repair, renew and replace existing underground facilities and to construct new facilities in all of West Maxwell Street as herein vacated with the right of ingress and egress at all times for any and all such purposes. It is further provided that no buildings or other structures shall be erected on said easement herein reserved for the People Gas Light and Coke Co. or other use made of the said area which would interfere with the construction, operation, maintenance, repair, removal, or replacement of said facilities, or the construction of additional facilities.

The City of Chicago hereby reserve that part of the public streets as herein vacated, as a right-of-way for an existing sewer and for the installation of any additional sewers or other municipally-owned service facilities now located or which in the future may be located in West Maxwell Street as herein vacated, and for the maintenance, renewal and reconstruction of such facilities. It is further provided that no buildings or other structures shall be erected on said right-of-way herein reserved or other use made of said area, which in the judgment of the respective municipal officials having control of the aforesaid service facilities would interfere with the use, maintenance, renewal, or reconstruction of said facilities, or the construction of additional municipally-owned service facilities.

SECTION 3. The vacations herein provided for are made upon the express condition that within one hundred twenty (120) days after the passage of this ordinance, the Soo T, L.L.C. shall pay or cause to be paid to the City of Chicago as compensation for the benefits which will accrue to the owner of the property abutting said part of public street hereby vacated, the sum of Five Hundred Thousand and no/100 Dollars (\$500,000.00), which sum in the judgment of this body will be equal to such benefits or in lieu of such payment, shall deliver to the Corporation Counsel a promissory note, in form and substance acceptable to the Corporation Counsel, which shall be signed on behalf of Soo T, L.L.C., together with a collateral assignment of membership distributions, personal guaranty, letter of credit or such other security instrument as the Corporation Counsel shall approve. The promissory note shall promise payment of such amount to the City on or before October 1, 1997, and shall further provide that in lieu of such payment, Soo T, L.L.C. may, at its option, cause to be duly executed and recorded a restrictive covenant running with the land which shall in the judgment of the Corporation Counsel comply in all particulars with the provisions of Section 8.20 of Exhibit A to the ordinance approved by the City Council on October 30, 1996, which is published in the Journal of Proceedings for such date on pages 30233 through 30302. The vacations provided herein are made upon the further condition that Soo T, L.L.C. shall, within one hundred twenty (120) days after the passage of this ordinance, deposit in the City Treasury of the City of Chicago a sum sufficient to defray the costs of removing paving and curb returns and constructing sidewalk and curb across the entrances to that part of the public streets hereby vacated, similar to the sidewalk and curb in South Clinton Street and South Canal Street. The precise amount of the sum so deposited shall be ascertained by the Commissioner of Transportation after such investigation as is requisite.

SECTION 4. The vacations herein provided for are made upon the express condition that within one hundred twenty (120) days after the passage of this ordinance, the Soo T, L.L.C. shall file or cause to be filed for record in the Office of the Recorder of Deeds of Cook County, Illinois, a certified copy of this ordinance, together with an attached drawing approved by the Superintendent of Maps.

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SECTION 5. This ordinance shall take effect and be in force from and after its passage.

[Drawing and legal description referred to in this ordinance printed on pages 36532 through 36533 of this Journal.]

VACATION OF PORTION OF WEST SCOTT STREET BETWEEN
NORTH SEDGWICK STREET AND NORTH
WELLS STREET.

The Committee on Transportation and Public Way submitted the following report:

CHICAGO, December 9, 1996.

To the President and Members of the City Council:

Your Committee on Transportation and Public Way begs leave to recommend that Your Honorable Body Pass an ordinance vacating the west 355.71 feet of West Scott Street lying between the east line of North Sedgwick Street and the west line of North Wells Street. This ordinance was referred to the committee on December 9, 1996.

This recommendation was concurred in unanimously by a viva voce vote of the members of the committee, with no dissenting vote.

Respectfully submitted,

(Signed) PATRICK M. HUELS,
Chairman.

(Continued on page 36534)

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Ordinance associated with this drawing printed on pages
36528 through 36531 of this Journal.

"A"

Canal Trustees' New Subdivision of blocks, in the northwest quarter of
Section 21-39-14, except Blocks 57 and 58.

"B"

Assessor's Division of Lots 2, 3 and 4 of Block 62 in Canal Trustees' New
Subdivision, et cetera (see "A").

"C"

Subdivision of Lot 11, of Block 62, Canal Trustees' New Subdivision, et
cetera (see "A").

"D"

Vacated by ordinance passed April 22, 1912.

Recorded July 8, 1912

Document Number 5000860

Amendment to above ordinance passed November 10, 1913.

Recorded December 10, 1913

Document Number 5320411-2

"E"

Dedication for public street and alley.

Recorded April 21, 1913

Document Number 5168208

"F"

Central Terminal Railway Company's Subdivision in the northwest quarter
of Section 21-39-14.

Drawing Number 21-2-96-2036