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COPY

JOURNAL of the PROCEEDINGS of the CITY COUNCIL of the CITY of CHICAGO, ILLINOIS

Regular Meeting -- Thursday, October 16, 2025

at 10:00 A.M.

(Council Chamber -- City Hall -- Chicago, Illinois)

OFFICIAL RECORD.

VOLUME I

BRANDON JOHNSON
Mayor

ANDREA M. VALENCIA
City Clerk

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Regular Meeting -- Thursday, October 16, 2025

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Attendance At Meeting.

Present -- The Honorable Brandon Johnson, Mayor, and Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, Curtis, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein.

Absent -- Alderpersons Taylor and Villegas.

Call To Order.

On Thursday, October 16, 2025 at 10:22 A.M. (the hour appointed for the meeting was 10:00 A.M.), the Honorable Brandon Johnson, Mayor, called the City Council to order. The Honorable Andrea M. Valencia, City Clerk, called the roll of members and it was found that there were present at that time: Alderpersons La Spata, Hopkins, Dowell, Yancy, Hall, Harris, Beale, Chico, Lee, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Manaa-Hoppenworth, Hadden, Silverstein -- 41.

Quorum present.

At this point in the proceedings, the Honorable Brandon Johnson, Mayor, informed the City Council that Alderperson Curtis submitted a request, pursuant to Rule 59 of the City Council's Rules of Order and Procedure, to attend the meeting remotely.

Thereupon, the members physically present in the Chamber accepted by unanimous viva voce vote, the request by Alderperson Curtis to attend the meeting remotely, pursuant to Rule 59 of the City Council's Rules of Order and Procedure.

Pledge Of Allegiance.

Mayor Brandon Johnson led the City Council and assembled guests in the Pledge of Allegiance to the Flag of the United States of America.

Invocation.

Reverend Marshall Hatch, Jr., Senior Pastor of New Mount Pilgrim Missionary Baptist Church, opened the meeting with prayer.

PUBLIC COMMENT.

In accordance with the City Council's Rules of Order and Procedure, the following members of the general public addressed the City Council:

Rita Prichett

Daniele Carter

John Catanzara, Jr.

Nat

Zoe Leigh

Jimmy Rothschild

Scarlet Johnson

Jessica Jackson

George Blakemore

Lucky Daoud

In accordance with the City Council's Rules of Order and Procedure, the following members of the general public submitted written comments to the City Council:

Neil Marklund

Jennifer Vravis

John Paul Jones

Mitchell Szczepanczyk

Sarah Porter

Akibare Nanashi

Quillan Darrahill

REPORTS AND COMMUNICATIONS FROM CITY OFFICERS.

Placed On File -- DELIVERY OF FISCAL YEAR 2026 MAYORAL BUDGET ADDRESS.
[F2025-0020367]

The Honorable Andrea M. Valencia, City Clerk, informed the City Council that the following communication was filed in her office on Friday, October 10, 2025, at 11:38 A.M.:

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 10, 2025.

Honorable Anna Valencia
City Clerk
City Hall, Room 107
121 North LaSalle Street
Chicago, Illinois 60602

DEAR CLERK VALENCIA -- Please be advised that at the City Council meeting of October 16, 2025, during that portion of the meeting devoted to "communications from the Mayor" (see Rule 3), I will be delivering the Mayor's Budget Address for the City of Chicago Budget for 2026.

Please include this letter in your agenda for that portion of the above-referenced City Council meeting.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

BUDGET ADDRESS OF THE HONORABLE BRANDON JOHNSON, MAYOR.
(As Proposed)

The Honorable Brandon Johnson, Mayor, delivered the following budget address:

Good morning, thank you all for joining us.

I want to thank my Budget and Finance Team -- my Budget Director Annette Guzman; our Chief Financial Officer Jill Jaworski, our City Comptroller Michael Belsky, and their teams for their hard work on this year's budget.

I also want to thank our Chief of Policy, my Executive team, our Commissioners and City workers, and the Mayor's Office staff who work tirelessly on behalf of our city.

I'd like to recognize the public officials from the State, County, the Board of Education, and other municipalities who have joined us this morning. Your partnership and leadership is essential to a thriving Chicago.

I'd also like to thank the coalition of community organizations, labor unions, cultural, civic, and philanthropic institutions, business, and faith leaders who are with us today. Chicago wouldn't be Chicago without you all. You are the Soul of Chicago.

I want to especially thank the assembled members of the City Council. You are going to hear a lot about the great things that we've accomplished for the City of Chicago over the last two and a half years. But whether it's mental health, affordable housing, community safety, economic development and youth jobs, or flood relief -- none of it -- none of it -- would be possible, without the champions here today.

Can we give a hand to our City Councilmembers delivering for the people of Chicago?

This year's budget, the Protecting Chicago budget, acknowledges a harsh reality that I think we can all agree on: we are living through unprecedented times.

As I speak here this morning about our budget, we have National Guard troops from Texas waiting on a court order to deploy to our streets; our federal government is in a shutdown with no end in sight; we have bands of armed, masked men with long guns and armored vehicles who have shot residents with no transparency and no oversight.

We have ICE agents harassing Chicagoans, shooting pepper balls at faith leaders, and detaining journalists.

We had Border Patrol detain a member of our City Council for simply asking to see their warrant. We had a mother, screaming, pulled from her car while she was in line to pick up her children from school. We had Chicagoans in South Shore woken up in the middle of the night to the sound of Blackhawk helicopters and doors busted down.

One resident told the media, "They put Black people in one van and immigrants in another." That gets to the core of the issue. When they come for any of us, they come for all of us.

They are even pitting law enforcement against law enforcement -- these unaccountable federal agents have tear-gassed our police officers on two separate occasions. The President of the United States called for my imprisonment, as well as the Governor's, for the 'crime' of disagreeing with him.

Now, they are trying to militarize and occupy our city. But it's not just the boots on the ground. Perhaps even more devastating have been the economic attacks -- the Trump Cuts.

The Trump Cuts to public health, the cuts to public safety, to Medicaid and SNAP, to services that address homelessness and drug addiction, his cuts to violence prevention, his cuts to public education and transportation. This is not rhetoric -- this is reality:

Trump's budget cuts $1 Trillion from Medicaid. The Trump administration is enacting the largest cut to SNAP in our nation's history, and Trump's tariffs are driving up the cost of food. That's why, we are not including the Grocery Tax in our budget proposal.

Billions were cut from housing for the unhoused -- putting 170,000 Americans at risk of homelessness. In Chicago, we still believe that the solution to homelessness is housing. That's why you will find an increase in funding for homelessness services and our Rapid Rehousing program, which has already connected thousands of Chicagoans from street encampments into long-term stable housing.

$2.1 Billion withheld from the Red Line Extension -- I don't have to tell you all that South Siders have fought for 50 years for this transformative investment -- and Trump just cut it without a second thought.

With the expiration of the ESSER funds and the funds that were withheld by Trump over our Black Student Success Plan, our public school system is losing more than $1.8 Billion. The money that should be going to our public schools is instead going to Border Patrol and billionaires.

That's why this budget proposal includes the largest City investment in our public schools in the history of Chicago through a historic One-Billion-Dollar TIF surplus.

These funds will ensure that we are protecting our young people from the Trump administration's attempts to dismantle and privatize our public education system, that we are protecting special education teachers, restoring funding for our Black student success plan, and making sure our lowest-paid workers receive their pensions. The City will do its part while we continue to work with our partners at the state to deliver on the $1.6 Billion promise of evidence-based funding for CPS.

These funds will also provide additional revenue for our City Colleges, Libraries, and our Parks so that Chicagoans can continue to pursue their educations and enjoy our city, no matter their ZIP code.

We are making these historic investments because the Trump Cuts will have a real impact on the poor and working people of Chicago, and they will degrade the quality of life for all Chicagoans.

That is what we must understand more than anything else in this moment. We are all connected; we all have a shared destiny as a city. We will prosper together or we will flounder alone.

As Dr. Martin Luther King warned us 60 years ago, "Whatever affects one directly, affects all indirectly. As long as there is poverty in this world, no man can be totally rich -- even if he has a billion dollars."

And here's the reality, you all: There's never been a better time to be a billionaire in America. There's never been a better time to be a large corporation in our country.

The President's budget, the OBBBA, represents the largest upward transfer of wealth from the working class and middle class to the ultra-rich in our nation's history.

We are talking about a Trillion-Dollar windfall in tax cuts for corporations, while low-income Chicagoans are facing higher costs.

Look, Chicago is the tenth-wealthiest city in the entire world. We have 127,000 millionaires. We have 290 hundred-millionaires and we have 24 billionaires.

At the same time, 1 in 4 Chicagoans under the age of 18 lives in poverty. Tens of thousands of our Chicago Public School students do not have stable housing. In some of our neighborhoods on the South and West Sides, we have a poverty rate of over 50 percent.

This intense and growing wealth inequality is not sustainable for our city. We cannot separate the immense wealth of the few from the poverty and insecurity of the many.

What happens in Old Town affects me in Austin. What happens in Auburn Gresham affects you in Rogers Park. What happens to our downtown affects our neighborhoods and what happens on the far Northwest Side can be felt on the far Southwest Side. We are one city, we can be broken down into Sides and into wards and neighborhoods, but we can never be truly detached from the responsibility we have, one to another.

That is why, in this budget -- as I have said for months -- we will be asking large corporations to put a little more skin in the game. That is not out of spite -- that is because our city as a whole will benefit if we can continue to maintain our investments in the face of these attacks from the federal government.

The Protecting Chicago budget protects Chicagoans from Trump's Cuts and his attacks on our city; it protects the services and programs that Chicagoans rely upon; and it protects low-income and middle-class Chicagoans from bearing even more of the tax burden.

To protect the programs that Chicagoans use every day, we established our Budget Working Group in April -- bringing together a cross-section of our city -- representatives from the business community, civic organizations, labor unions, and community leaders -- all coming together to offer ideas and recommendations. Nothing was off the table. And, of the more than 80 recommendations they put forward, many of them are incorporated into this budget, saving taxpayers more than $200 Million in cost reductions.

These savings are not decisions we take lightly. Even as our headcount has declined year over year, we are calling for a targeted hiring freeze so that we can protect the programs we are currently funding.

We also worked closely with our City vendors to achieve significant contract savings in this budget -- we met our goal this year, and we expect to do even better next year.

We went through all of the City's real estate holdings and found opportunities to consolidate office space, sell properties, and terminate leases to save millions of dollars in this budget.

The savings you will find in this budget are not quick fixes. They are not cheap accounting tricks.

In fact, this budget contains more structural reforms than one-time fixes. We take our fiscal responsibility seriously because it is that discipline that will allow us to continue to make critical investments in the years to come.

This budget is also heavily informed by the grassroots, from the bottom up -- both our community budget roundtables, where we heard directly from Chicagoans from every walk of life, and from our more informal budget town halls on the South, West, and North Sides, where we heard from community groups and neighborhood leaders. This budget is also the product of their work -- decades of organizing that put forward these demands and brought us to this moment.

But the truth is that many of the most transformative recommendations that we got from our budget community roundtables and our working group require approval at the State level.

Many of the proposals in our budget wouldn't even be necessary if the progressive demands for a billionaire's tax, a tax on services, or the elimination of corporate tax loopholes were met at the state level.

We will continue to work with our coalition of community and labor, and our elected allies in Springfield, and with Governor Pritzker, with Speaker Welch, and with President Harmon to move our agenda for Chicago at the State level.

We will work side by side with anyone across the state who wants to champion real progressive revenue -- just know, that you have a partner -- the City of Chicago -- with the courage and the fortitude to take on that fight with you.

We will continue to fight to move our agenda for progressive revenue to fund public transportation, public education, and to fight back against these federal attacks, together.

Even with the limited authority we do have, we have found new and creative ways of making sure that the tax burden doesn't fall on poor and working people.

Our budget proposal asks large corporations and the ultra-wealthy to chip in more so that working families are not burdened with higher property taxes or grocery taxes, or garbage fees.

This year, it's likely that new assessments will be raising property values and the taxes that go along with it. And that's why, as promised, my budget proposal includes no property tax increase.

Instead of asking our residents to sacrifice even more, we are asking large corporations and Big Tech companies that have made trillions of dollars to pitch in a little bit more. Instead of asking Woodlawn, and Englewood, and Uptown to pay more, we are asking Twitter, and Amazon, and Meta to put more skin in the game. Instead of asking seniors living on fixed incomes in Austin and South Shore to sacrifice, we are asking Big Business to chip in.

We are doing that in a few ways:

First, we are proposing raising the PPLT -- the Personal Property Lease Tax -- this is our tax on the cloud computing companies like Salesforce and Amazon.

With the rise of artificial intelligence, this industry is growing exponentially.

And these Big Tech corporations got hundreds of billions of dollars from the Trump tax cuts. We are proposing that they invest some of those profits into the people of Chicago.

We are increasing the rate by just a few points to raise hundreds of millions in new revenue to fund critical services for all Chicagoans.

The second method we are using to raise revenue from these Big Tech companies is a new, innovative tax that we will be introducing as a special revenue fund, which we are calling the Social Media Amusement and Responsibility Tax -- the SMART Tax.

For far too long, we have allowed social media companies to collect our data and sell it for profit. They've implemented more and more aggressive strategies to get Chicagoans addicted to their apps. As a result, we've seen significantly higher trends in depression, anxiety, and mental illness -- especially in our young people.

This has become a serious public health issue, one that was acknowledged by the Surgeon General. Just like we tax other addictive vices that are bad for our health, like nicotine and tobacco, it is far past time we treat social media companies the same way.

That's why we are putting forward this new tax -- the first of its kind in the nation -- that will tax social media companies to fund our network of City-run free Mental Health clinics and our mental health crisis response teams.

That revenue would go towards the mental health clinic we reopened in Roseland on the far South Side. It would go to our clinic in Pilsen and the mental health professionals we added to the Legler Library on the West Side. It would allow us to continue to maintain and expand our mental health network throughout the city so that every Chicagoan, no matter where they live, can access adequate mental health care.

Mental health is an issue where it costs us more to not invest. When prior administrations shuttered mental health clinics a decade ago, it didn't just impact those who were being directly served by the clinics. The impact is felt in the families who lost loved ones to suicide and drug overdoses. I know firsthand the pain that families experience when they lose a loved one to addiction and untreated trauma.

And all Chicagoans paid for that decision in their everyday quality of life. Residents who should be getting the care they need from a trained mental health professional were instead falling into homelessness; they were now on our train platforms, or in Cook County Jail. Every day, we see Chicagoans who are clearly in need of a mental health crisis response, but past administrations have failed to find the revenue to properly fund these services.

Well, we are not afraid of taking on Big Tech to fund free mental health care for Chicagoans.

To protect these services moving forward, we are moving funding for our crisis response teams off of the federal ARPA funding stream and into the Corporate fund, so that they form a permanent part of our yearly budget process. That is how we protect these funds from federal clawbacks and grant terminations.

The fees in this budget are targeted at those who can afford to contribute more to our city. We are increasing our Yacht Tax -- our boat mooring fee -- because we think that it's only fair to ask Chicagoans with the means to pay a little bit more.

One issue we heard time and time again is the problem of absentee and out-of-state landowners, vacant buildings, and lots sitting dormant for decades. Our Special Collections Unit, which we established under our Department of Law, is taking on the banks and financial entities that are buying up vacant land for speculation and the slumlords who allow their properties to fall into disrepair.

At the beginning of this year, some of you may remember we took on the worst landowner in Chicago -- Suzie B. Wilson. We took her to court and we won back millions of dollars for taxpayers and more than 800 lots across the South and West Sides.

The days of the vacant buildings and lots sitting dormant for decades while taxpayers foot the bill for inspections and maintenance are over. We are going to be even more aggressive in reclaiming and redeveloping these vacant lots.

That's why we are increasing our vacant building renewal fee in this budget. Our message is simple: the land in our communities is not for Private Equity speculation -- it's for people. Either build something or we will take it over and build something for the community.

So, we are asking Big Tech to chip in, we are asking corporate landlords and yacht-owners to chip in, but we are also asking the larger corporations to step up in this moment. We are asking them to chip in specifically to fund community safety because: there has never been a more important time to invest in safety in the history of our city.

Our investments in safety have been working; it is these critical investments that have allowed us to make this past summer the safest summer in Chicago in 60 years.

Our investments in our detectives in particular, overhauling the division; restructuring the teams; strategically deploying our officers, utilizing new technologies that allow us to actually solve crimes.

But with all the progress we have made, we still have the Trump Cuts to public safety threatening to undermine our work.

$468 Million in proposed cuts to the ATF-CPD has worked hard to get more than 20,000 illegal guns off the streets since we've taken office, and the president is cutting the agency that's responsible for stopping the endless flow of guns trafficked into our city.

$800 Million cut from violence prevention and community violence intervention, including more than $30 Million for organizations right here in Chicago.

$51 Million cut from UASI grant for Chicago -- those are direct cuts to police, fire, and emergency management that will have a real impact on our city.

This is a moment that asks us to be strategic and judicious with our resources. As part of the effort to conserve resources across the board, we are modernizing important aspects of our Police Department.

The Superintendent is taking concrete steps, with our full support, to rein in overtime costs for our officers. He has managed to bring down the number of hours of overtime year over year, but there is still more work to do. We will be freezing vacancies unlikely to be filled to save roughly $30 Million in this budget.

Importantly, this will not cut the number of officers in our neighborhoods. We will also protect all positions that are critical to continue making progress towards full consent decree compliance and constitutional policing.

We are civilianizing more positions, which will save us upwards of $100 Million in the coming years and free up our sworn officers from administrative duties. Let's be clear: policing should not be about paperwork. So, all of our reforms are about getting our officers into the community and away from their desks.

We will modernize, we will make smart, targeted adjustments where needed, we will work with our department and OPSA to get more officers back on the street, but we simply cannot afford to reduce our investments in safety.

With all the progress that we have made this year, I am the first person to say that we still have a long way to go, and we must move with urgency.

When we have a historic decline in shootings of almost 40 percent in one year, when we double the national trend in crime reduction; when we cut homicides by almost a third; that is not the time to pat ourselves on the back; that is the time to double down on what's working.

We need to support our officers on the streets, we need to add more community violence intervention workers, more mental health professionals, more funding for youth jobs, more of everything that works.

We can save lives -- we can save hundreds of lives every year if we get this right. If we decide to take a step backward, if we defund the programs that have helped us make this past summer the safest summer in a generation, we will not only reverse the progress we have made; we will also play into the hands of the far-right who want to paint our city as dangerous and lawless.

I'm not going to sugar-coat it: If we fail to invest in community safety in this budget at historic levels, the federal government will try to use that as a justification for a military occupation of our city.

Never have the stakes been so high, and yet, never has the opportunity in front of us been so great.

We believe in real community safety. We believe that every single resource should be expended towards building sustainable, safe communities. Not with a military occupation, but with fully-resourced communities.

When I say that one shooting, one homicide is too many, I mean that every single act of violence is unacceptable because of the trauma it causes for the victim and their loved ones. It ripples out in the community. It impacts our young people for the rest of their lives. For those of us who have lost friends and loved ones, we know that the pain never really goes away.

Our goal as a city should be zero shootings and zero homicides. We owe it to the Chicagoans who have lost loved ones to gun violence to solve this challenge once and for all.

We have had this crisis for six decades -- we cannot use the same strategies that got us here and expect different results. We must be bold, we must try things that have not been tried before. We must continue the progress we have made, and frankly, you all, we must go much further, with real urgency.

I have complete faith in our Police leadership. Superintendent Snelling has done a tremendous job of rebuilding morale on the force, and they have done incredible work. But the solution is never going to come from policing alone. The safest communities do not have the most police, they have the most resources.

That's why we are proud to announce the establishment of a new fund -- the Community Safety Fund -- a permanent, $100 Million fund that will ensure that we have the resources to continue to invest in the strategies that work.

The Community Safety Fund will fund a number of programs that are critical to building a much safer city.

First -- we need to invest in mental health resources for our police officers and first responders. Every day, they meet Chicagoans on their worst day. They show up after shootings, they spend time with the victims and families, they put their lives on the line and their arms around Chicagoans racked by grief.

The psychological toll that takes is real. Officers who are struggling with mental health challenges are a danger to themselves and to our communities. We have lost too many officers to this trauma because this problem has not been treated with the seriousness it deserves. That ends today, with the Community Safety Fund.

Second -- if we are serious about solving gun violence, we must invest in prevention. We cannot just show up after the fact; we need to be there before violence erupts and build the relationships and community ties necessary to keep people safe.

That's why we are establishing one of the largest permanent funds for violence prevention of any city in the country.

We will be able to deploy street outreach workers and Community Violence Intervention workers, targeted on the blocks that see the most violence, to help us drive down shootings and de-escalate disputes. Research has shown that violence prevention workers have driven down shootings by more than 40 percent in some of the most difficult blocks in our city. We need to build on this progress and go further.

Third -- this fund will also direct resources to our gender-based violence programs. Federal funding for these programs has run out, and our federal government has abandoned victims and survivors, so the City of Chicago is stepping up, particularly now, during Domestic Violence Awareness month, when we see an alarming rise in gender-based violence in our city and in our country, we must meet this moment with sustained investment. Survivors deserve our love and support, but they also deserve our financial resources, and this fund will do just that.

Finally, funding from the Community Safety Fund will go towards a wide array of youth programs -- our diversion programs, our youth activations, and most of all, our summer youth jobs programs. These are programs that help our young people get on the right path. We cannot raise our children in detention centers and jails and expect them to succeed. Our young people need structure and accountability, but they also need opportunity and resources that set them up for success.

Look, I know you all remember that we set an ambitious goal last year to hire 29,000 young people. Well, today, I am pleased to tell you all that we blew past our goal and hired 31,119 young people this summer -- a more than 50 percent increase since we've taken office.

I'm proud that this budget dedicates even more funds to our summer employment programs which will allow us to pay our young people at a higher rate than last year. We know this makes a difference because we hear it directly from the young people in these programs.

Ask Alanda Morris, who told us her experience with our summer employment programs helped her build her character and her confidence. The skills she developed led her directly to her full-time job as an aviation mechanic today.

Or ask Dereon Wiley, who participated in our pilot program with Streets and Sanitation and labor. That pilot program led to a full-time job with Streets and Sanitation; he said it allowed him to contribute to his family and his community; and he said his dream now is to one day become a commissioner.

Mental health services; community violence intervention; victim services; gender-based violence; youth programs -- we are paying for all of this with a fee on the largest corporations in Chicago. 97 percent of businesses will not be impacted by this new fee, which we are calling the Community Safety Surcharge. Our mom and pop stores, our local restaurants, our small and medium-sized businesses will not pay a penny more in taxes.

But we are asking the top 3 percent of the absolute largest businesses in our city, those who have seen tremendous success and exceedingly high profits, to chip in so that we can build a safer city for all Chicagoans.

Some parts of the business community have already voluntarily put tens of millions of dollars into violence prevention programs, and the County and the State have made significant investments in this work -- this fee will make sure that large corporations contribute their part to building a safer city.

We've heard time and time again from the business community that safety is their number one priority -- that's why, to those who say this fee is anti-business, I say that investing in building a much safer city is the most pro-business investment we could possibly make. A safer city will attract more talented young people; it will attract additional investment and jobs; and it will improve the quality of life for all Chicagoans, in every neighborhood.

In closing, let me just say that this budget is based on the premise that the programs that Chicagoans rely upon are worth protecting. We can't respond to Trump's Cuts and the attacks on our city with speeches and press conferences; we must take concrete action. We must respond to his tax cuts for the ultra-rich with new taxes on billionaires and large corporations.

We must respond to the illegal attempts to strip funding from our city with a strong and persistent legal effort -- that's why you will find additional funding for our Department of Law in this budget.

They stole billions from our public transit system and our public education system because they are saying they benefit Black Chicago. We have never violated the law or discriminated against anyone, but let's also be clear: There is nothing wrong with making sure that the communities that have been historically excluded from City contracts have a fair shot in participating today.

That's not discrimination -- that's just basic fairness.

So we will use our investments in our Department of Law to fight until every federal dollar that has been illegally stolen from Chicago by the Trump administration is returned in full. We will be relentless until every single penny is restored.

Our investments in affordable housing and our neighborhoods are also worth protecting.

We have cut ribbons across the city, we have put shovels in the ground, and more than anything, we have Cut the Tape on the bureaucracy that has slowed us down in the past.

Out of 107 recommendations that were put forward to make it easier to build in Chicago, ranging across 14 different City departments and agencies, I am proud to say that 90 percent of the recommendations have either been completed or are in the process of being completed today.

It is critical that we make Chicago as easy as possible to build because it is that dynamism, that endless pursuit of innovation, that keeps our city vibrant and our economy strong.

We are doing our part as local government -- we have built, rehabbed, or preserved more than 4,000 affordable units already, with another 1,600 units under construction and almost 5,000 more units in the pipeline. We are converting our vacant office spaces downtown into affordable units and our vacant lots into owner-occupied housing while welcoming billions in new investments across our city.

As we develop our city, it's also critical that we take steps to protect our environment and continue the fight for environmental justice that started right here in Chicago. This budget delivers on the promise to rebuild the Department of Environment by expanding its staff significantly while continuing to invest in programs that reduce our emissions.

In this moment, we must be intentional about responding to the targeted attacks by the Trump administration against those who are most vulnerable with additional protections for our people.

For Chicagoans who are at risk of falling into homelessness, we have our first dedicated position to advocate for Renters' Rights and additional investments in our shelters.

For Chicagoans with disabilities, we will continue investing in our Home Modification Program.

For our seniors, we are protecting our investment in our Satellite Senior Centers so that our elders have access to resources and a sense of community.

For LGBTQ Chicagoans, we are hiring the first-ever dedicated City staff to advocate for the queer community.

For our residents returning from incarceration, we are earmarking our Cannabis funding to support our Office of Reentry and job training programs.

And we will continue to build and expand on our Know Your Rights campaigns and strengthen our protections for immigrant communities in Chicago.

We will protect every community that is under attack in Chicago because we are one city, and what happens to one of us affects all of us.

In short: Chicago is worth protecting. This is our city. We bend to no one, and we cannot be broken.

They chose the wrong city to pick a fight with. We are Chicago. We've been through a lot worse than this. We will come out of this period stronger and more united as a city than we have ever been before.

I look forward to talking through this proposal with the City Council and incorporating your ideas for how we can maintain our investments during these unprecedented times.

Thank you, and God bless you all, and God bless the people of Chicago.

At this point in the proceedings, Alderperson Mitchell moved that the City Council stand in recess for 20 minutes. The motion *Prevailed.* At the conclusion of the recess, Mayor Johnson called the meeting back to order.

REGULAR ORDER OF BUSINESS RESUMED.

Referred -- AMENDMENT NUMBER 1 TO DIVISION/HOMAN REDEVELOPMENT PROJECT AREA TAX INCREMENT FINANCING REDEVELOPMENT PLAN AND PROJECT.

[O2025-0020479]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing a minor amendment to the Division/Homan TIF redevelopment plan and project.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- EXECUTION OF REDEVELOPMENT AGREEMENT WITH PULLMAN HOTEL GROUP LLC TO PROVIDE TAX INCREMENT FUNDING ASSISTANCE FUNDS FOR HAMPTON BY HILTON AT 11040 S. DOTY AVE.

[O2025-0020480]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of a TIF redevelopment agreement with the Pullman Hotel Group LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- EXECUTION OF AMENDED REDEVELOPMENT AGREEMENT WITH RENAISSANCE PARTNERS L.P. TO EXTEND TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR RENAISSANCE APARTMENTS AT 3745 -- 3763 S. WABASH AVE.

[O2025-0020482]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing the execution of an amended TIF redevelopment agreement with the Renaissance Apartments L.P.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- AUTHORIZATION FOR PROVISION OF TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR IMPROVEMENTS AT VARIOUS CITY PARKS.

[O2025-0020487, O2025-0020488, O2025-0020489, O2025-0020490, O2025-0020491, O2025-0020492]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinances transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the provision of funds for improvements at various parks within the City.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- EXECUTION OF NEW GRANT FUNDING AGREEMENT WITH CHICAGO LOW-INCOME HOUSING TRUST FUND TO PROVIDE RENTAL HOUSING SUPPORT PROGRAM ASSISTANCE FOR AFFORDABLE HOUSING PROJECTS.
[O2025-0020483]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing the execution of a new grant agreement with the Chicago Low-Income Housing Trust Fund.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- ISSUANCE OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS TO SUPPORT ACQUISITION AND RENOVATION OF MARTHA WASHINGTON APARTMENTS AT 2324 W. IRVING PARK RD.

[O2025-0020496]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Finance:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Housing, I transmit herewith an ordinance authorizing the issuance of financial assistance to The Martha HHDC LLC for the acquisition and renovation of Martha Washington Apartments.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- FISCAL YEAR 2026 BUDGET RECOMMENDATIONS.

[O2025-0020516]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Budget Director, I transmit herewith the Fiscal Year 2026 budget recommendations.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- EXECUTION OF REDEVELOPMENT AGREEMENT WITH 5050 PRAIRIE LLC TO PROVIDE NEIGHBORHOOD OPPORTUNITY FUND ASSISTANCE FOR MIXED-USE DEVELOPMENT AT 5036 -- 5044 AND 5046 S. PRAIRIE AVE.

[O2025-0020485]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on the Budget and Government Operations:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the execution of a redevelopment agreement with 5050 Prairie LLC to provide neighborhood opportunity funds for a mixed-use development.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- AUTHORIZATION FOR PUBLIC HEARINGS, BUDGETS AND EXECUTION OF SERVICER AGREEMENTS FOR VARIOUS SPECIAL SERVICE AREAS.

[O2025-0020393, O2025-0020399, O2025-0020404, O2025-0020408, O2025-0020411, O2025-0020413, O2025-0020415, O2025-0020416, O2025-0020417, O2025-0020418, O2025-0020419, O2025-0020420, O2025-0020421, O2025-0020422, O2025-0020423, O2025-0020424, O2025-0020425, O2025-0020426, O2025-0020427, O2025-0020428, O2025-0020429, O2025-0020438, O2025-0020473]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinances transmitted therewith, *Referred to the Committee on Economic, Capital and Technology Development:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing public hearings for the establishment, expansion or extension, 2026 budget, and the execution of service agreements for specified Special Service Areas.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- SUPPORT OF COOK COUNTY CLASS L AND CLASS 6(b) TAX INCENTIVES FOR SPECIFIED PROPERTIES.
[O2025-0020533, O2025-0020534, O2025-0020535]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinances transmitted therewith, *Referred to the Committee on Economic, Capital and Technology Development:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing favorable tax classification status for specified properties within the City.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- SALE OF CITY-OWNED PROPERTIES AT VARIOUS LOCATIONS.
[O2025-0020524, O2025-0020525, O2025-0020526, O2025-0020527, O2025-0020528, O2025-0020529]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinances transmitted therewith, *Referred to the Committee on Housing and Real Estate:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith ordinances authorizing the sale of City-owned properties.

Your favorable consideration of these ordinances will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- SECOND AMENDMENT TO RIGHT-OF-ENTRY USE AGREEMENT WITH COLUMBIA YACHT CLUB FOR RENEWED ACCESS TO CITY-OWNED PARKING LOT LOCATED UNDER NORTHBOUND LANES OF S. DUSABLE LAKE SHORE DR., NORTH OF RANDOLPH ST.

[O2025-0020518]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of a right-of-entry agreement with Columbia Yacht Club for the use of City-owned parking lot.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- TRANSFER OF CITY-OWNED PROPERTY AT 8385 S. BIRKHOFF AVE./ 8319 S. VINCENNES AVE. TO CHICAGO PARK DISTRICT.

[O2025-0020506]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Planning and Development, I transmit herewith an ordinance authorizing the transfer of the City-owned property located at 8319 South Vincennes Avenue to the Chicago Park District.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- RENEWED AND AMENDED LEASE AGREEMENT WITH 4615 HOMER LLC FOR PROPERTY AT 4615 W. HOMER ST.

[O2025-0020522]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of City as a tenant renewed lease agreement with 4615 Homer LLC for property at 4615 West Homer Street.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- RENEWED AND AMENDED LEASE AGREEMENT WITH L.F.L. PROPERTIES, INC. FOR PROPERTY AT 4310 W. NORTH AVE.
[O2025-0020499]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Housing and Real Estate:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Commissioner of Fleet and Facility Management, I transmit herewith an ordinance authorizing the execution of City as a tenant renewed lease agreement with L.F.L. Properties, Inc. for property at 4310 West North Avenue.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Referred -- GRANT OF GOODS AGREEMENT WITH COMMERCIAL CLUB FOUNDATION TO SUPPORT CHICAGO POLICE DEPARTMENT.

[O2025-0020484]

The Honorable Brandon Johnson, Mayor, submitted the following communication which was, together with the proposed ordinance transmitted therewith, *Referred to the Committee on Police and Fire:*

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 16, 2025.

To the Honorable, The City Council of the City of Chicago:

LADIES AND GENTLEMEN -- At the request of the Superintendent of Police, I transmit herewith an ordinance authorizing the execution of a grant of goods agreement with the Commercial Club Foundation.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

Placed On File -- ANNOUNCEMENT FROM INSPECTOR GENERAL DEBORAH WITZBURG OF NOT SEEKING REAPPOINTMENT TO SECOND TERM.

[F2025-0020497]

The Honorable Andrea M. Valencia, City Clerk, informed the City Council that the following communication from the Honorable Brandon Johnson, Mayor, was filed in her office on Wednesday, October 15, 2025, at 3:38 P.M.:

OFFICE OF THE MAYOR
CITY OF CHICAGO

October 15, 2025.

Office of the City Clerk
Honorable Anna Valencia
City Clerk
City Hall, Room 107
121 North LaSalle Street
Chicago, Illinois 60602

To the Honorable City Council of the City of Chicago and City Clerk Valencia:

DEAR CLERK VALENCIA -- Inspector General Deborah Witzburg has announced that she will not seek reappointment to a second term as Inspector General for the City of Chicago.

Therefore, pursuant to Section 2-56-020 of the Municipal Code of Chicago, I hereby notify the City Council of the City of Chicago that I will not reappoint the incumbent Inspector General of the City of Chicago. This notice will commence the process for the appointment of the next Inspector General for the City of Chicago, as provided in the Municipal Code of Chicago.

Madam Clerk, please read the letter at the October 16, 2025, City Council Meeting under the heading of "Reports and Communications from the Mayor and other City officers".

Very truly yours,

(Signed) BRANDON JOHNSON,
Mayor.

City Council Informed As To Miscellaneous Documents Filed In City Clerk's Office.

The Honorable Andrea M. Valencia, City Clerk, informed the City Council that documents have been filed in her office relating to the respective subjects designated as follows:

Placed On File -- EXECUTIVE ORDER NO. 2025-8 PROHIBITING USE OF CITY PARKING LOTS, VACANT LOTS AND GARAGES FOR CIVIL IMMIGRATION ENFORCEMENT STAGING AREAS, PROCESSING LOCATIONS OR OPERATIONS BASES.

[F2025-0020289]

A communication from the Honorable Brandon Johnson, Mayor, under the date of October 6, 2025, received in the Office of the City Clerk on October 6, 2025, transmitting Executive Order Number 2025-8 prohibiting use of city parking lots, vacant lots and garages for civil immigration enforcement staging areas, processing locations or operations bases, and further, to make available signage, free of charge, to landowners and leaseholders to restrict activities related to civil immigration enforcement; also directing City Departments and Agencies to make available to the public Know Your Rights materials which describe the rights of employees, tenants, and security staff regarding entry by federal agents, which was *Placed on File.*

Placed On File -- ESTIMATED YEAR 2026 AGGREGATE PROPERTY TAX LEVY.

[F2025-0020441]

The following communication from Annette Guzman, Budget Director, under the date of October 16, 2025, pursuant to Section 18-60 of the Illinois Truth in Taxation Law, 35 ILCS 200/18-55, et seq., regarding the 2026 aggregate property tax levy, was *Placed on File:*

OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

October 16, 2025.

Anna M. Valencia
City Clerk
Room 107
121 North LaSalle Street
Chicago, Illinois 60602

RE: Estimated 2026 aggregate property tax levy

DEAR MS. VALENCIA, Pursuant to Section 18-60 of the Illinois Truth in Taxation Law, 35 ILCS 200/18-55, et seq., the City of Chicago Office of Budget and Management has made the following determinations regarding the amounts of money, exclusive of election costs, estimated to be necessary to be raised by taxation for the following year upon the taxable property in the City:

2026 amended aggregate property tax levy: $1,848,501,077

Please place this letter on file. Thank you.

Sincerely,

(Signed) ANNETTE GUZMAN,
Budget Director.

Placed On File -- DETERMINATION CERTIFICATE OF CITY OF CHICAGO REGARDING REVOLVING LINE OF CREDIT AGREEMENT BY AND BETWEEN CITY OF CHICAGO AND BANK OF AMERICA N.A. AS TO NOTE OF SEPTEMBER 24, 2025, AGGREGATE OUTSTANDING AMOUNT NOT TO EXCEED $100,000,000.

[F2025-0020283]

A communication from Jill Jaworski, Chief Financial Officer, under the date of September 25, 2025, received in the Office of the City Clerk on September 25, 2025, transmitting a determination certificate of the City of Chicago regarding City of Chicago and Bank of America N.A. as to Note of September 24, 2025, aggregate outstanding amount not to exceed $100,000,000, which was *Placed on File*.

Placed On File -- DETERMINATION CERTIFICATE OF CITY OF CHICAGO REGARDING REVOLVING LINE OF CREDIT AGREEMENT BY AND AMONG CITY OF CHICAGO, RBC CAPITAL MARKETS LLC AND ROYAL BANK OF CANADA, AS TO NOTE OF SEPTEMBER 29, 2025, AGGREGATE OUTSTANDING AMOUNT NOT TO EXCEED $325,000,000.

[F2025-0020286]

A communication from Jill Jaworski, Chief Financial Officer, under the date of September 30, 2025, received in the Office of the City Clerk on September 30, 2025, transmitting a determination certificate of the City of Chicago regarding City of Chicago Revolving Line of Credit among RBC Capital Markets LLC and Royal Bank of Canada as to Note of September 29, 2025, aggregate outstanding amount in an amount not to exceed $325,000,000, which was *Placed on File*.

Placed On File -- FUNDING LOAN NOTIFICATION OF CITY OF CHICAGO MULTI-FAMILY HOUSING REVENUE NOTE (LUCHA HUMBOLDT PARK PROJECT) SERIES 2025.

[F2025-0020447]

A communication from Jill Jaworski, Chief Financial Officer, under the date of October 14, 2025, received in the Office of the City Clerk on October 14, 2025, transmitting, pursuant to Section 6 of the Bond Ordinance, the Funding Loan Notification of the City of Chicago Multi-Family Housing Revenue Note (LUCHA Humboldt Park Project) Series 2025, together with executed copies of the Funding Loan Agreement, the Borrower Loan Agreement, the Note and the Land-Use Restriction Agreement, which was *Placed on File*.

Placed On File -- OFFICE OF INSPECTOR GENERAL'S ADVISORY ON CHICAGO MOVES PROGRAM AND MINIMIZING FRAUD RISK IN EMERGENCY PREPARATIONS.

[F2025-0020346]

A communication from Deborah Witzburg, Inspector General, under the date of October 9, 2025, received in the Office of the City Clerk on October 9, 2025, transmitting an advisory on Chicago Moves Program and minimizing the risk of fraud, mismanagement or misuse of government funds, which was *Placed on File*.

Placed On File -- OFFICE OF INSPECTOR GENERAL'S THIRD QUARTER REPORT FOR YEAR 2025.

[F2025-0020469]

A communication from Deborah Witzburg, Inspector General, under the date of October 15, 2025 and received in the Office of the City Clerk on October 15, 2025, transmitting, pursuant to Section 2-56-120 of the Municipal Code of Chicago, the Third Quarter of Year 2025 of the Inspector General's report providing an overview of their investigations, audits and review of administrative programs for the period of July 1, 2025 through September 30, 2025, which was *Placed on File*.

City Council Informed As To Certain Actions Taken.

PUBLICATION OF JOURNAL.

The City Clerk informed the City Council that all those ordinances, et cetera, which were passed by the City Council on September 25, 2025 and which were required by statute to be published in book or pamphlet form or in one or more newspapers, were published in pamphlet form on October 16, 2025 by being printed in full text in printed pamphlet copies of the *Journal of the Proceedings of the City Council of the City of Chicago* of the regular meeting held on September 25, 2025, published by authority of the City Council, in accordance with the provisions of Title 2, Chapter 12, Section 050 of the Municipal Code of Chicago, as passed on June 27, 1990.

Miscellaneous Communications, Reports, Et Cetera, Requiring Council Action (Transmitted To City Council By City Clerk).

The City Clerk transmitted communications, reports, et cetera, relating to the respective subjects listed below, which were acted upon by the City Council in each case in the manner noted, as follows:

Referred -- ZONING RECLASSIFICATIONS OF PARTICULAR AREAS.

Applications (in triplicate) together with the proposed ordinances for amendment of Title 17 of the Municipal Code of Chicago (the Chicago Zoning Ordinance), as amended, for the purpose of reclassifying particular areas, which were *Referred to the Committee on Zoning, Landmarks and Building Standards*, as follows:

Chicago Title Land Trust Company, as Successor Trustee to Aetna Bank as Trustee under trust agreement Number 10-4191 (Application Number 22902) -- to classify as a B3-2 Community Shopping District instead of an RT4 Residential Two-Flat, Townhouse and Multi-Unit District the area shown on Map Number 7-G bounded by:

a public alley next north of and parallel to West Fullerton Avenue; a line 198.3 feet west of and parallel to North Seminary Avenue; West Fullerton Avenue; and a line 223.3 feet west of and parallel to North Seminary Avenue (common address: 1120 West Fullerton Avenue).

[O2025-0020561]

BM International Builders, Inc. (Application Number 22896T1) -- to classify as a B2-2 Neighborhood Mixed-Use District instead of a C1-1 Neighborhood Commercial District the area shown on Map Number 7-H bounded by:

West Belmont Avenue; a line 143.4 feet east of and parallel to North Oakley Avenue; the public alley next south of and parallel to West Belmont Avenue; and a line 93.4 feet east of and parallel to North Oakley Avenue (common address: 2249 West Belmont Avenue).

[O2025-0020481]

Cosmicos LLC (Application Number 22904) -- to classify as a C1-2 Neighborhood Commercial District instead of a B3-2 Community Shopping District the area shown on Map Number 3-H bounded by:

the public alley next north of and parallel to West Division Street; a line 237 feet east of and parallel to North Wood Street; West Division Street; and a line 168 feet east of and parallel to North Wood Street (common address: 1738 -- 1740 West Division Street).

[O2025-0020563]

EZMB LLC (Application Number 22906T1) -- to classify as an RM4.5 Residential Multi-Unit District instead of an RS3 Residential Single-Unit District the area shown on Map Number 1-G bounded by:

the public alley north of and parallel to West Huron Street; a line 25 feet east of North Armour Street; West Huron Street; and North Armour Street (common address: 1480 West Huron Street).

[O2025-0020565]

EZMB LLC (Application Number 22907T1) -- to classify as an RT4 Residential Two-Flat, Townhouse and Multi-Unit District instead of an RS3 Residential Single-Unit District the area shown on Map Number 1-H bounded by:

West Huron Street; a line 251.00 feet east of North Western Avenue; the public alley south of and parallel to West Huron Street; and a line 281.00 feet east of North Western Avenue (common address: 2333 West Huron Street).

[O2025-0020566]

Jacksongeorge LLC (Application Number 22898) -- to classify as a B1-2 Neighborhood Shopping District instead of a B3-2 Community Shopping District the area shown on Map Number 7-G bounded by:

West George Street; North Southport Avenue; a line 72.80 feet south of and parallel to West George Street; and the alley next west of and parallel to North Southport Avenue (common address: 2852 -- 2856 North Southport Avenue).

[O2025-0020493]

Jefferson Park Residences LLC (Application Number 22894) -- to classify as Planned Development Number 1364, as amended, instead of Planned Development Number 1364 the area shown on Map Number 11-L bounded by:

West Lawrence Avenue; North Avondale Avenue; a line 148.61 feet southeasterly, as measured along North Avondale Avenue to a point 164.33 feet east of North Laramie Avenue; the alley south of and parallel to West Lawrence Avenue; and a line 250.00 feet west of North Laramie Avenue, to the point of beginning (common address: 5161 -- 5223 West Lawrence Avenue; 4750 -- 4760 North Laramie Avenue; 4753 -- 4761 North Laramie Avenue; and 4786 -- 4798 North Avondale Avenue).

[O2025-0020475]

Melsey LLC (Application Number 22905T1) -- to classify as a C2-1 Motor Vehicle-Related Commercial District instead of an RT4 Residential Two-Flat, Townhouse and Multi-Unit District and a B3-1 Community Shopping District the area shown on Map Number 7-M bounded by:

a line 150.55 feet north of and parallel to West Diversey Avenue; the alley next east of and parallel to North Melvina Avenue; West Diversey Avenue; and North Melvina Avenue (common address: 2821 North Melvina Avenue/6148 West Diversey Avenue).

[O2025-0020564]

Michaels Development Company I L.P., The (Application Number 22908T1) -- to classify as a B3-3 Community Shopping District instead of a C1-3 Neighborhood Commercial District the area shown on Map Number 1-J bounded by:

West Lake Street; North Kedzie Avenue; West Maypole Avenue; and a line 106.9 feet west of and parallel to North Kedzie Avenue (common address: 136 North Kedzie Avenue).

[O2025-0020567]

Jenny and Joon Hwan Park (Application Number 22911T1) -- to classify as an RM5 Residential Multi-Unit District instead of an RT4 Residential Two-Flat, Townhouse and Multi-Unit District the area shown on Map Number 5-G bounded by:

West Willow Street; a line 15.51 feet south of West Willow Street; then a line 69.81 feet southeast to join a line 50 feet southwest of North Bissell Street; and North Bissell Street (common address: 935 West Willow Street).

[O2025-0020571]

R4C LLC (Application Number 22903) -- to classify as a C1-1 Neighborhood Commercial District instead of an RS3 Residential Single-Unit (Detached House) District the area shown on Map Number 6-J bounded by:

a line 252.5 feet north of and parallel to West 27th Street; the public alley next east of and parallel to South Harding Avenue; a line 152.5 feet north of and parallel to West 27th Street; and South Harding Avenue (common address: 2637 -- 2643 South Harding Avenue).

[O2025-0020562]

Standard Ellis Lakeview Venture L.P. (Application Number 22910) -- to classify as an RM5.5 Residential Multi-Unit District instead of an RM5 Residential Multi-Unit District the area shown on Map Number 10-D bounded by:

a line 371.68 feet north of and parallel to East 47th Street; South Ellis Avenue; a line 203.73 feet north of and parallel to East 47th Street; a line 174.96 feet west of and parallel to South Ellis Avenue; a line 239.05 feet north of and parallel to East 47th Street; and a line 288.31 feet west of and parallel to South Ellis Avenue (common address: 4624 South Ellis Avenue).

[O2025-0020570]

Talman Street LLC (Application Number 22895T1) -- to classify as an RM4.5 Residential Multi-Unit District instead of an RT4 Residential Two-Flat, Townhouse and Multi-Unit District the area shown on Map Number 4-I bounded by:

a line 67.25 feet south of and parallel to West 13th Street; the public alley next east of and parallel to South Talman Avenue; a line 87.25 feet south of and parallel to West 13th Street; and South Talman Avenue (common address: 1313 South Talman Avenue).

[O2025-0020476]

Thomas Street Partners LLC (Application Number 22897T1) -- to classify as a B3-1 Community Shopping District instead of a B3-1 Community Shopping District the area shown on Map Number 3-I bounded by:

a line 189.75 feet south of and parallel to the south line of West Division Street; the west line of North California Avenue; a line 213.75 feet south of and parallel to the south line of West Division Street; and the alley next west of and parallel to the west line of North California Avenue (common address: 1138 North California Avenue).

[O2025-0020486]

Rafael Szymanski (Application Number 22909T1) -- to classify as a B2-3 Neighborhood Mixed-Use District instead of a C1-1 Neighborhood Commercial District the area shown on Map Number 9-K bounded by:

North Milwaukee Avenue; North Tripp Avenue; the alley next southwest of and parallel to North Milwaukee Avenue; and a line 75.00 feet northwest of and parallel to North Tripp Avenue (common address: 3532 North Milwaukee Avenue).

[O2025-0020568]

4Corners LLC (Application Number 22900T1) -- to classify as a B2-3 Neighborhood Mixed-Use District instead of an RT3.5 Residential Two-Flat, Townhouse and Multi-Unit District the area shown on Map Number 2-I bounded by:

West Congress Parkway; South Western Avenue; the public alley next south of and parallel to West Congress Parkway; and a line 78 feet west of and parallel to South Western Avenue (common address: 2401 -- 2407 West Congress Parkway).

[O2025-0020530]

4Corners LLC (Application Number 22899T1) -- to classify as a B2-3 Neighborhood Mixed-Use District instead of an RT3.5 Residential Two-Flat, Townhouse and Multi-Unit District the area shown on Map Number 2-I bounded by:

West Congress Parkway; a line 78 feet west of and parallel to South Western Avenue; the public alley next south of and parallel to West Congress Parkway; and a line 170 feet west of and parallel to South Western Avenue (common address: 2409 -- 2411 West Congress Parkway).

[O2025-0020494]

3735 W Belmont LLC (Application Number 22901T1) -- to classify as a C1-2 Neighborhood Commercial District instead of a B3-3 Community Shopping District the area shown on Map Number 7-J bounded by:

West Belmont Avenue; a line 68 feet west of and parallel to North Ridgeway Avenue; the alley next south of and parallel to West Belmont Avenue; and a line 133 feet west of and parallel to North Ridgeway Avenue (common address: 3735 -- 3737 West Belmont Avenue).

[O2025-0020560]

Referred -- CLAIMS AGAINST CITY OF CHICAGO.

Claims against the City of Chicago, which were *Referred to the Committee on Finance*, filed by the following:

Anderson, Stanley C.	[CL2025-0020356]
Blauert, Olivia R.	[CL2025-0020348]
Gallegos Saucedo, Francisco	[CL2025-0020372]
Garcia, Luis	[CL2025-0020379]
Garcia, Ruben J.	[CL2025-0020380]
Harper, Matthew T.	[CL2025-0020584]

Hernandez, Elias [CL2025-0020378]

Kiers, Ezra M. [CL2025-0020350]

King, Lordine [CL2025-0020376]

Longoria, Veronica [CL2025-0020357]

McNamara, Daniel R. [CL2025-0020377]

Morrison, Michelle L. [CL2025-0020583]

Naranjo, Leydi [CL2025-0020354]

Olsen, Kurt E. [CL2025-0020582]

Smith, Genolia L. [CL2025-0020381]

USAA Insurance and Kelly, Scott P. and Julie A. [CL2025-0020587]

Referred -- RECOMMENDATION BY COMMISSION ON CHICAGO LANDMARKS FOR DESIGNATION OF BANKERS BUILDING AT 105 W. ADAMS ST. AS CHICAGO LANDMARK.

[O2025-0020463]

A communication from Dijana Cuvalo, AIA Assistant Commissioner, Historic Preservation Division Bureau of Citywide Systems and Historic Preservation Department of Planning and Development under the date of October 10, 2025, and received in the Office of the City Clerk on October 10, 2025, transmitting the Commission on Chicago Landmarks' recommendation, together with a proposed ordinance for designation of Bankers Building at 105 West Adams Street as a Chicago landmark, which was *Referred to the Committee on Zoning, Landmarks and Building Standards.*

REPORTS OF COMMITTEES.

COMMITTEE ON FINANCE.

DECLARATION OF OFFICIAL INTENT FOR ISSUANCE OF TAX-EXEMPT HOUSING REVENUE BONDS TO BENEFIT 5853 N BROADWAY 4, L.P. PROJECTS.

[O2025-0019920]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance authorizing the bond inducement of tax-exempt housing revenue bonds to 5853 N Broadway 4, L.P. for the affordable housing development at 5853 North Broadway (48th Ward) (O2025-0019920), amount not to exceed: $26,000,000 Multi-Family Housing Revenue Bonds, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe, and sanitary rental housing available for persons of low- and moderate-income; and

WHEREAS, The City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability, and general welfare of the City; and

WHEREAS, 5853 N Broadway 4 L.P., an Illinois limited partnership (the "Developer"), of which: (i) Rockwell Community Development, Inc., an Illinois not-for-profit corporation, is the general partner; and (ii) Bickerdike Redevelopment Corporation, an Illinois not-for-profit corporation, is the initial limited partner; and

WHEREAS, The Developer intends to acquire certain property located generally at 5853 North Broadway in the City (the "Property"); and

WHEREAS, The Developer has proposed a certain low-income multi-family housing development project consisting of acquisition of the Property and new construction of one 11-story building and of approximately ninety (90) affordable residential dwelling units therein, together with an on-site management office and certain tenant amenity spaces and common facilities, for which the Developer will serve as the owner of a portion of the building and a related entity to the Developer will own the remaining portion of the building (the acquisition and construction of the building and other improvements on the Property shall be known as the "Project"); and

WHEREAS, The Developer has requested that the City issue multi-family housing revenue bonds, notes, or other indebtedness in an amount not to exceed $26,000,000 (the "Bonds") for the purpose of financing a portion of the Project costs, including the Eligible Project Costs (as defined herein); and

WHEREAS, It is intended that the interest on the Bonds will be excluded from gross income for federal income tax purposes; and

WHEREAS, It is intended that this ordinance shall constitute a declaration of intent to reimburse certain eligible expenditures for the Project made prior to the issuance of the Bonds (the "Eligible Project Costs") from the proceeds of the Bonds (if and when issued) within the meaning of Section 1.150-2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended (the "Treasury Regulations"); now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City intends to issue the Bonds and lend all or a portion of the proceeds thereof (the "Bond Proceeds") to the Developer, or an entity affiliated with or related to the Developer, for the purpose of financing a portion of the Project costs, as well as costs incurred in connection with the issuance of the Bonds and funding certain reserves, if required, subject to the City and the Developer agreeing to the terms and conditions necessary to issue the Bonds and further approval by the City Council of the City. The maximum principal amount of Bonds which the City intends to issue for the Project will not exceed $26,000,000.

SECTION 3. Certain Eligible Project Costs will be incurred by the Developer and/or its affiliates in connection with the Project prior to the issuance of the Bonds. The City reasonably expects to reimburse such Eligible Project Costs with Bond Proceeds.

SECTION 4. The Eligible Project Costs to be reimbursed with Bond Proceeds will be paid initially from funds of the Developer and/or an entity or entities affiliated with or related to the Developer.

SECTION 5. This ordinance is consistent with the budgetary and financial circumstances of the City. No funds from sources other than Bond Proceeds are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the City for the Project for costs to be paid from Bond Proceeds.

SECTION 6. This ordinance constitutes a declaration of official intent under Section 1.150-2 of the Treasury Regulations.

SECTION 7. To the extent that any ordinance, resolution, rule, order, or provision of the Municipal Code of Chicago, or any part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause, or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this ordinance.

SECTION 8. This ordinance shall be effective as of the date of its passage and approval.

AUTHORIZATION FOR ISSUANCE OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS TO TTG INDIAN TRAILS LIMITED PARTNERSHIP FOR REHABILITATION OF INDIAN TRAILS APARTMENTS AT 221 -- 223 E. 121ST PL. AND 12141 S. INDIANA AVE.

[SO2025-0019928]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a substitute ordinance authorizing the issuance of Multi-Family Housing Revenue Bonds to TTG Indian Trails Limited Partnership for the rehabilitation of Indian Trails Apartments located at 221 -- 223 East 121st Place and 12141 South Indiana Avenue (9th Ward) (SO2025-0019928), in an amount not to exceed $35,000,000 Multi-Family Housing Revenue Bonds, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, By virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution"), the City of Chicago (the "City") is a home rule unit of government and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City has determined that there exists within the City a serious shortage of decent, safe and sanitary housing available for persons of low- and moderate-income and that the continuance of a shortage of affordable housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, As a home rule unit and pursuant to the Constitution, the City is authorized and empowered to issue multi-family housing revenue obligations for the purpose of financing the cost of the acquisition, rehabilitation, construction, development, and equipping of affordable multi-family housing facilities for low- and moderate-income families located in the City ("Multi-Family Housing Financing"); and

WHEREAS, TTG Indian Trails Limited Partnership, an Illinois limited liability partnership (the "Borrower"), the general partner of which is TTG Indian Trails LLC, an Illinois limited liability company (the "General Partner"), of which The Transcend Development Group LLC, a Delaware limited liability company, is the manager and sole member, intends to acquire three five-story multi-family residential buildings located at 221 -- 223 East 121st Place and 12141 South Indiana Avenue in the West Pullman neighborhood of Chicago, Illinois (the "Facilities"), and commence and complete rehabilitation of the Facilities to provide 179 units of affordable housing to low-income individuals and families; and

WHEREAS, The rehabilitation of the Facilities includes upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (the foregoing constitute the "Renovations" and collectively with the acquisition of the Facilities, the "Project"); and

WHEREAS, By this ordinance (this "Ordinance"), the City Council of the City (the "City Council") has determined that it is necessary and in the best interests of the City to provide Multi-Family Housing Financing to the Borrower, to enable it to pay or reimburse a portion of the costs of the Project, and to pay a portion of the costs of issuance and other costs in connection therewith; and

WHEREAS, By this Ordinance, the City Council has determined that it is necessary and in the best interests of the City to borrow money for the purposes set forth above and in evidence of its limited, special obligation to repay that borrowing, to issue its Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 (the "Bonds"); and

WHEREAS, In addition to the Bonds, the Borrower seeks to obtain additional financing from various sources (all such funding sources, the "Additional Sources") described, together with the Project, the Borrower and the Bonds, on Exhibit A hereto; and

WHEREAS, In connection with the issuance of the Bonds, the City Council has determined by this Ordinance that it is necessary and in the best interests of the City to

enter into: (i) an Indenture (the "Indenture") between the City and UMB Bank, National Association, as trustee (the "Trustee"), providing for the security for and terms and conditions of the Bonds to be issued; (ii) a Financing Agreement (the "Financing Agreement") among the City, the Borrower and the Trustee providing for the use of the proceeds of the Bonds to make a loan to the Borrower (the "Bond Mortgage Loan"), the proceeds of which will be used to finance a portion of the costs of the Project; (iii) a Bond Purchase Agreement among the City, the Borrower and Berkadia Commercial Mortgage LLC, the purchaser of the Bonds (the "Bond Purchaser"), or, alternatively, another sale agreement among the City, the Borrower and the one or more purchasers of the Bonds (in each case, a "Bond Purchase Agreement") providing for the sale of the Bonds and, if necessary, the preparation and circulation of a preliminary disclosure document and a final disclosure document prepared in connection with the offer and sale of the Bonds (in either case, an "Offering Document"); (iv) a Land-Use Restriction Agreement between the City and the Borrower (the "Land-Use Restriction Agreement") setting forth certain requirements and restrictions applicable to the Facilities under federal tax law as a result of the financing thereof with proceeds of the Bonds; and (v) a Tax Certificate and Agreement and/or a similar tax certificate (a "Tax Agreement") between the City and the Borrower setting forth various additional tax law requirements applicable to the Facilities as a result of the financing thereof with proceeds of the Bonds; and

WHEREAS, In evidence of its limited, special obligation to repay the Bond Mortgage Loan, the Borrower will issue a bond mortgage note, which will be endorsed by the City to the Trustee for the benefit of the holders of the Bonds from time to time (the "Bond Mortgage Note") under the terms and conditions of this Ordinance, the Indenture and the Financing Agreement; and

WHEREAS, The principal of, prepayment premium, if any, and interest payable on the Bonds will be secured by, among other things, payments to be made by the Borrower on the Bond Mortgage Note, a mortgage on the Facilities and certain other related collateral, by certain capital contributions to be made to the Borrower by its limited partner(s) in connection with the allocation to the Borrower of federal low-income housing tax credits and by pledges and/or assignments of certain funds, personal property, and contractual rights of the Borrower and its affiliates; and

WHEREAS, The Bonds and the obligation to pay interest thereon do not now and shall never constitute an indebtedness of or an obligation of the City, the State of Illinois or any political subdivision thereof, within the purview of any Constitutional limitation or statutory provision, or a charge against the general credit or taxing powers of any of them. No owner of the Bonds shall have the right to compel the taxing power of the City, the State of Illinois or any political subdivision thereof to pay any principal installment of, prepayment premium, if any, or interest on the Bonds; and

WHEREAS, There has been presented to this meeting of the City Council forms of the following documents in connection with the Bonds:

(a) the form of the Indenture, which includes as an exhibit thereto, a form of the Bonds to be issued by the City (attached hereto as Exhibit B);

(b) the form of the Financing Agreement (attached hereto as Exhibit C);

(c) the form of the Land Use Restriction Agreement (attached hereto as Exhibit D); and

WHEREAS, The Borrower now desires to obtain financing from the Bonds and the Additional Sources; now, therefore,

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

SECTION 1. Incorporation Of Recitals. The recitals contained in the preambles to this Ordinance are hereby incorporated into this Ordinance by this reference. All capitalized terms used in this Ordinance, unless otherwise defined herein, shall have the meanings ascribed thereto in the Indenture.

SECTION 2. Findings And Determinations. The City Council hereby finds and determines that the delegations of authority that are contained in this Ordinance, including the authority to make the specific determinations described herein, are necessary and desirable. Thus, "Authorized Officer" means: (a) the Mayor (the "Mayor"), the Chief Financial Officer (the "CFO"), the City Comptroller or any other official of the City so designated by a Certificate signed by the Mayor or the CFO and filed with the Trustee for so long as such designation shall be in effect; and (b) the City Clerk with respect to the certification of any ordinance or resolution of the City Council or any other document filed in his or her office to determine to sell the Bonds on such terms as and to the extent such Authorized Officer determines that such sale or sales is desirable and in the best financial interest of the City. Any such designation and determination by an Authorized Officer shall be signed in writing by the Authorized Officer and filed with the City Clerk or Deputy City Clerk and shall remain in full force and effect for all purposes of this Ordinance unless and until revoked, such revocation to be signed in writing by an Authorized Officer and filed with the City Clerk or Deputy City Clerk. As used herein, the term "Chief Financial Officer" shall have the meaning given to such term in Section 1-4-090(k) of the Municipal Code of Chicago (the "Municipal Code"). As used herein, "Certificate" means an instrument of the City in writing signed by an Authorized Officer. Any such instrument in writing and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed so as to form a single instrument. Any such instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or representation of counsel, accountants, or engineers, respectively, unless the officer signing such instrument knows that the opinion or representation with respect to the matters upon which such instrument may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel or accountant or other persons, as the case may be, need not certify to all of the matters required to be certified under any provision of the Indenture or any supplemental Indenture, but different officers, counsel, accountants or other persons may certify to different facts, respectively.

SECTION 3. Authorization Of The Bonds, The Indenture, The Financing Agreement, The Land-Use Restriction Agreement And Related Agreements.

(a) The issuance of the Bonds in an aggregate principal amount of not to exceed Thirty-five Million Dollars ($35,000,000) is hereby authorized.

The Bonds shall contain a provision that they are issued under authority of this Ordinance. The Bonds shall not mature later than eighteen (18) years after the date of issuance thereof. The Bonds shall bear interest at a rate or rates not to exceed eight percent (8%), payable on the interest payment dates as set forth in the Indenture. The Bonds shall be dated, shall be subject to redemption or tender prior to maturity, shall be payable in such places and in such manner and shall have such other details and provisions as prescribed by the Indenture and the form of the Bonds therein.

The provisions for execution, signatures, authentication, payment and prepayment, with respect to the Bonds shall be as set forth in the Indenture and the form of the Bonds therein.

(b) An Authorized Officer is hereby authorized to execute and deliver the Indenture on behalf of the City, such Indenture to be in substantially the form attached hereto as Exhibit B and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval of any changes or revisions from the form of the Indenture attached to this Ordinance.

(c) An Authorized Officer is hereby authorized to execute and deliver the Financing Agreement on behalf of the City, such Financing Agreement to be in substantially the form attached hereto as Exhibit C and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval of any changes or revisions from the form of the Financing Agreement attached to this Ordinance.

(d) An Authorized Officer is hereby authorized to execute and deliver the Land-Use Restriction Agreement on behalf of the City in connection with the issuance of the Bonds, such Land-Use Restriction Agreement to be in substantially the form attached hereto as Exhibit D and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval of any changes or revisions from the form of the Land-Use Restriction Agreement attached to this Ordinance.

(e) An Authorized Officer is hereby authorized to execute and deliver a Tax Certificate and Agreement on behalf of the City, in substantially the form of tax certificates and agreements used in previous issuances of tax-exempt bonds pursuant to programs similar to the Bonds, with appropriate revisions to reflect the terms and provisions of the Bonds and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder or applicable thereto, and with such other revisions in text as the Authorized Officer executing the same shall determine are necessary or desirable in connection with the exclusion from gross income for federal income tax purposes of interest on the Bonds. The execution of the Tax Certificate and Agreement by the Authorized Officer shall be deemed conclusive evidence of the approval of the City Council of the terms provided in the Tax Certificate and Agreement.

The City Clerk or Deputy City Clerk is hereby authorized to attest the signature of the Authorized Officer to any document referenced herein and to affix the seal of the City to any such document.

An Authorized Officer is hereby authorized to execute and deliver on behalf of the City such security or collateral documents securing payment of the Bonds as the Authorized Officer regards as appropriate, in substantially the form of the security documents used in previous issuances of tax-exempt bonds pursuant to programs similar to the Bonds, with appropriate revisions to reflect the terms and provisions of the Bonds and with such other revisions as the Authorized Officer executing the same shall determine are appropriate and consistent with the other provisions of this Ordinance. The execution of security or collateral documents by the Authorized Officer shall be deemed conclusive evidence of the approval of the City Council to the terms provided in such documents.

SECTION 4. Security For The Bonds. The Bonds shall be limited obligations of the City, payable solely from: (i) all right, title and interest of the City in and to all Revenues; (ii) all right, title and interest of the City in and to the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage and the other Bond Mortgage Loan Documents (other than the Unassigned Rights), including all extensions and renewals of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the money, income, revenues, issues, profits and other amounts payable or receivable thereunder (including all casualty insurance benefits or condemnation awards, subject to the rights of the Borrower to repair or replace any portion of the Project which suffers a casualty or condemnation set forth herein), whether payable under the above-referenced documents or otherwise, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the City or any other Person is or may become entitled to do under said documents; and (iii) except for funds, money or securities in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund, all funds, money and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security under the Indenture for the Bonds by the City or by anyone on its behalf or with its written consent to the Trustee, which is thereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms of the Indenture.

SECTION 5. Sale And Delivery Of Bonds. The Bonds are hereby authorized to be sold and delivered directly to one or more investors to be selected by an Authorized Officer subject to the terms and conditions of the Bond Purchase Agreement. An Authorized Officer is authorized to execute and deliver on behalf of the City, with the concurrence of the Chairman of the Committee on Finance of the City Council, the Bond Purchase Agreement in substantially the form of bond purchase agreements used in previous sales of bonds pursuant to programs similar to the Bonds, with appropriate revisions to reflect the terms and provisions of the Bonds and the fact that the Bonds may be sold to certain institutional investors at a premium or discount, and with such other revisions in text as the Authorized Officer shall determine are necessary or desirable in connection with the sale of the Bonds. The execution of the Bond Purchase Agreement by an Authorized Officer shall be deemed

conclusive evidence of the approval of the City Council of the terms provided in the Bond Purchase Agreement. The distribution of an Offering Document to prospective purchasers of the Bonds and the use thereof in connection with the offering and sale of the Bonds is hereby authorized, provided that the City shall not be responsible for the content of the Offering Document except as specifically provided in the Bond Purchase Agreement executed by an Authorized Officer, and provided further that, if the Bonds are sold directly to institutional investors, the City may forgo the use of an Offering Document, but only if such institutional investors execute and deliver to the City "sophisticated investor" letters satisfactory to an Authorized Officer. In connection with the offer and delivery of the Bonds, the Authorized Officers, and such other officers of the City as may be necessary, are authorized to execute and deliver such instruments and documents as may be necessary to implement the transaction and to effect the issuance and delivery of the Bonds. Any limitation on the amount of Bonds issued pursuant to this Ordinance as set forth herein shall be exclusive of any original issue discount or premium.

SECTION 6. Notification Of Sale. Subsequent to the sale of the Bonds, an Authorized Officer shall file in the Office of the City Clerk a Notification of Sale for the Bonds directed to the City Council setting forth: (i) the aggregate original principal amount of, sale price, maturity schedule, redemption provisions for and nature of the Bonds sold; (ii) the extent of any tender rights to be granted to the holder of the Bonds, including, without limitation, the right of the holder to tender the Bonds in exchange for one or more mortgage-backed securities held by the Trustee under the Indenture; (iii) the identity of the Trustee; (iv) the interest rate on the Bonds; (v) the identity of the purchaser(s) of the Bonds; and (vi) the compensation, if any, paid to such purchaser(s) in connection with such sale. There shall be attached to such notification the final form of the Indenture.

SECTION 7. Limited Obligations. The Bonds, when issued and outstanding, will be limited obligations of the City, payable solely as provided in the Indenture. The Bonds and the interest thereon shall never constitute a debt or general obligation or a pledge of the faith, the credit or the taxing power of the City within the meaning of any Constitutional or statutory provision of the State of Illinois or of the City. The Bonds shall be payable solely from the funds pledged therefore pursuant to the terms of the Indenture.

SECTION 8. Use Of Proceeds. The proceeds from the sale of the Bonds shall be deposited as provided in the Indenture and used for the purposes set forth in the fourth and fifth Whereas clauses of this Ordinance.

SECTION 9. Declaration Of Official Intent. It is possible that a portion of the cost of the Project which the City intends to finance with the proceeds of the Bonds will have been paid from other monies prior to the date of this Ordinance. It is the intention of the City to utilize a portion of the proceeds of the Bonds to reimburse such expenditures, to the extent they have been or will be made for those costs, to the extent allowed by the Code and related regulations. As such, the City declares its official intent under Section 1.150-2 of the Treasury Regulations promulgated under the Code to utilize the proceeds of the Bonds as such.

SECTION 10. Proxies. Each Authorized Officer may designate another to act as their respective proxy and to affix their respective signatures to the Bonds, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by such Authorized Officer pursuant to this Ordinance or the Indenture. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Authorized Officer, respectively. A written signature of the Mayor or the Authorized Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Authorized Officer in person.

SECTION 11. Additional Authorization. The Mayor, each Authorized Officer, and the City Treasurer are each hereby authorized to execute and deliver and the City Clerk and the Deputy City Clerk are each hereby authorized to enter into, execute and deliver such other documents and agreements and perform such other acts as may be necessary or desirable in connection with the Bonds, including, but not limited to, the exercise following the delivery date of the Bonds of any power or authority delegated to such official under this Ordinance with respect to the Bonds upon original issuance, but subject to any limitations on or restrictions of such power or authority as herein set forth.

SECTION 12. Volume Cap. The Bonds are obligations that are taken into account under Section 146 of the Code and require an allocation of the City's volume cap pursuant to such section and the City Council hereby authorizes an allocation of the City's volume cap to the Bonds.

SECTION 13. Public Hearing. The City Council hereby directs that the Bonds shall not be issued unless and until the requirements of Section 147(f) of the Code, including particularly the approval requirement following any required public hearing, have been fully satisfied, and that no contract, agreement or commitment to issue the Bonds shall be executed or undertaken prior to satisfaction of the requirements of said Section 147(f) unless the performance of said contract, agreement or commitment is expressly conditioned upon the prior satisfaction of such requirements. To the extent that such requirements are satisfied prior to the date of this Ordinance, this Ordinance shall constitute formal approval thereof. All such actions taken prior to the enactment of this Ordinance are hereby ratified and confirmed.

SECTION 14. Authorization Of Fees And Expenses. The following fees and expenses are hereby authorized in connection with the Bonds: (i) an Issuer Fee in an amount equal to 1.5 percent of the par amount of the Bonds, payable to the City on the date of issuance of

the Bonds; (ii) a Bond Legal Reserve Fee in the amount of 0.1 percent of the par amount of the Bonds, payable to the City on the date of issuance of the Bonds (such fee to be used to pay for other legal and other fees incurred by the City in connection with private activity bonds issued by the City); and (iii) a City Administrative Fee in an amount equal to 0.15 percent of the outstanding principal of the Bonds, accruing monthly but payable to the City on a semi-annual basis.

SECTION 15. Severability. If any provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 16. No Recourse. No recourse shall be had for the payment of the principal of, prepayment premium, if any, or interest on the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Ordinance, the Indenture, the Financing Agreement, the Land-Use Restriction Agreement or the Tax Certificate and Agreement (collectively, the "City Agreements") against any past, present or future officer, member or employee of the City, or any officer, employee, director or trustee of any successor, as such, either directly or through the City, or any such successor, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, officer, employee, director or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of the City Agreements and the issuance of the Bonds.

SECTION 17. No Impairment. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the holders of the Bonds to receive payment of the principal of, prepayment premium, if any, or interest on the Bonds or to impair the security for the Bonds; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

SECTION 18. Special Exceptions. The Project shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code. Sections 2-44-080 through 2-44-105, inclusive, of the Municipal Code shall not apply to the Project.

SECTION 19. Effective Date. This Ordinance shall take effect upon its passage and approval.

Exhibits "A", "B", "C" and "D" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

Project And Sources Of Funding.

Borrower: TTG Indian Trails Limited Partnership, an Illinois limited liability partnership, the general partner of which is TTG Indian Trails LLC, an Illinois limited liability company, of which The Transcend Development Group LLC, a Delaware limited liability company, is the manager and sole member.

Project: Acquisition of three (3) five-story multi-family residential buildings located at 221 -- 223 East 121st Place and 12141 South Indiana Avenue in the West Pullman neighborhood of Chicago, Illinois (the "Facilities"), and the complete rehabilitation of the Facilities to provide 179 units of affordable housing to low-income individuals and families. The rehabilitation of the Facilities includes upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems.

Sources Of Funding:

1. Bonds:

Amount: $35,000,000.

Source: Proceeds from the issuance of the Bonds.

Term: Not to exceed [18] years.

Interest: Such rate as is acceptable to an Authorized Officer.

Security: Bond Mortgage and other Security for the Bonds (as such term is defined in the Indenture).

2. Equity Bridge Loan:

Amount:	Approximate amount of $18,338,013.
Source:	Huntington National Bank.
Term:	25 months + option for one (1) 6-month extension.
Interest:	Floating One Month Term SOFR plus 3.50 percent (SOFR floor of 1 percent).
Security:	N/A.

3. Tax Credit Equity:

Amount:	$22,252,131.
Source:	Tax Credit Investors.
Term:	N/A.
Interest:	N/A.
Security:	N/A.

4. Net Operating Income:

Amount:	$1,082,234.
Source:	N/A.
Term:	N/A.
Interest:	N/A.
Security:	N/A.

Exhibit "B".
(To Ordinance)

Trust Indenture.

THIS INDENTURE ("**Indenture**"), dated as of [December] 1, 2025, by and between the **CITY OF CHICAGO**, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "**Issuer**"), and UMB Bank, National Association, a national banking association, as Trustee (such trustee or any of its successors in trust, the "**Trustee**"). Capitalized terms are defined in Section 1.01 of this Indenture.

RECITALS

WHEREAS, pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the hereinafter defined Substitute Ordinance of the Issuer, the Issuer is authorized to exercise any power and perform any function pertaining to its government and affairs, including the power to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low and moderate income persons or families within the Issuer, which constitutes a valid public purpose for the issuance of revenue bonds by the Issuer; and

WHEREAS, the Issuer has determined to issue, sell and deliver [$35,000,000] aggregate principal amount of its Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 (the "**Bonds**"), as provided herein for the purpose of making a loan to TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "**Borrower**"), which loan will be used, together with other amounts, to finance an affordable housing development project consisting of (i) the acquisition of three five-story buildings on an approximately four-acre parcel located at the southeast corner of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois (the "**Facilities**"), and (ii) the renovation of the Facilities, which renovations include upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (collectively, the foregoing constitute the "**Renovations**" and collectively with the acquisition of the Facilities, the "**Project**"); and

WHEREAS, the Borrower desires to obtain Multi-Family Housing Financing from the Issuer for the purpose of financing a portion of the (i) costs of the acquisition of the Facilities, (ii) costs of the Renovations, (iii) costs of issuance and other costs in connection with the issuance of the Bonds; and

WHEREAS, the Issuer will loan the proceeds of the Bonds to the Borrower by entering into a Financing Agreement dated as of December 1, 2025, by and among the Issuer, the Borrower and the Trustee (the "**Financing Agreement**") and the Bonds shall be payable solely from the revenues received by the Issuer from the repayment of the proceeds of the Bonds to the Borrower (the "**Bond Mortgage Loan**") and from other revenues derived from the Bond Mortgage Loan and the Bonds; and

WHEREAS, the Borrower has agreed to use the proceeds of the Bond Mortgage Loan to finance the Acquisition and the Renovations and to pay other eligible costs related thereto; and

WHEREAS, the Borrower's repayment obligations in respect of the Bond Mortgage Loan will be evidenced by a Bond Mortgage Note dated the Delivery Date (together with all

riders and addenda thereto, the "**Bond Mortgage Note**"), delivered to the Issuer and endorsed by the Issuer to the Trustee for the benefit of the holders of the Bonds from time to time; and

WHEREAS, to secure the Borrower's obligations under the Bond Mortgage Note, the Borrower will execute and deliver to the Issuer a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof (the "**Bond Mortgage**") with respect to the Project. The Bond Mortgage will be assigned by the Issuer to the Trustee pursuant to an Assignment of Bond Mortgage, dated the date hereof, from the Issuer to the Trustee (the "**Assignment**"); and

WHEREAS, the Borrower and the Trustee are entering into (i) a Continuing Covenant Agreement dated as of the date hereof (the "**Continuing Covenant Agreement**"), which sets forth various covenants with respect to the Borrower and Project, and (ii) a Construction Funding Agreement dated as of the date hereof (the "**Construction Funding Agreement**"), which sets forth conditions to disbursement of the proceeds of the Bond Mortgage Loan to the Borrower; and

WHEREAS, the Bonds will be secured by this Indenture, and the Issuer is authorized to execute and deliver this Indenture and to do or cause to be done all acts provided or required herein to be performed on its part; and

WHEREAS, all things necessary to make the Bonds, when authenticated by the Trustee and issued as in this Indenture provided, the valid, binding and legal limited obligations of the Issuer according to the import thereof, and to constitute this Indenture a valid assignment and pledge of the amounts assigned and pledged to the payment of the principal of, premium, if any, and interest on the Bonds and the creation, execution and delivery of this Indenture, and the creation, execution and issuance of the Bonds, subject to the terms hereof, have in all respects been duly authorized; and

WHEREAS, the Trustee has trust powers and the power and authority to enter into this Indenture, to accept trusts generally and to accept and execute the trust created by this Indenture; the Trustee has accepted the trust so created and, to evidence such acceptance, has joined in the execution of this Indenture.

NOW, THEREFORE, the Issuer, in consideration of the premises and the acceptance by the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the holders and owners thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, to secure the payment of the principal of, premium, if any, and interest on the Bonds according to their tenor and effect, and the performance and observance by the Issuer of all the covenants expressed or implied herein and in the Bonds, and the payment and performance of all amounts and obligations under the Continuing Covenant Agreement and the other Bond Mortgage Loan Documents, does hereby grant, bargain, sell, convey, pledge and assign a security interest, unto the Trustee, and its successors in trust and its and their assigns in and to the following (said property being herein referred to as the "**Trust Estate**"), to wit:

GRANTING CLAUSE FIRST

All right, title and interest of the Issuer in and to all Revenues.

GRANTING CLAUSE SECOND

All right, title and interest of the Issuer in and to the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage and the other Bond Mortgage Loan Documents (other than the Unassigned Rights), including all extensions and renewals of the terms thereof, if any, including, but without limiting the generality of the foregoing, the present and continuing right to receive, receipt for, collect or make claim for any of the money, income, revenues, issues, profits and other amounts payable or receivable thereunder (including all casualty insurance benefits or condemnation awards, subject to the rights of the Borrower to repair or replace any portion of the Project which suffers a casualty or condemnation set forth herein), whether payable under the above-referenced documents or otherwise, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Issuer or any other Person is or may become entitled to do under said documents.

GRANTING CLAUSE THIRD

Except for funds, money or securities in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund, all funds, money and securities and any and all other rights and interests in property whether tangible or intangible from time to time hereafter by delivery or by writing of any kind, conveyed, mortgaged, pledged, assigned or transferred as and for additional security hereunder for the Bonds by the Issuer or by anyone on its behalf or with its written consent to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

TO HAVE AND TO HOLD, all the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended so to be, to the Trustee and its successors in said trust and to them and their assigns forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all Holders of the Bonds issued under and secured by this Indenture without privilege, priority or distinction as to lien or otherwise of any of the Bonds over any of the other Bonds, except as set forth in this Indenture;

PROVIDED, HOWEVER, that if the Issuer or its successors or assigns shall pay or cause to be paid to the Holders of the Bonds the principal, interest and premium, if any, to become due thereon at the times and in the manner provided in Article IX hereof, and if the Issuer shall keep, perform and observe, or cause to be kept, performed and observed, all of its covenants, warranties and agreements contained herein, then these presents and the estate and rights hereby granted shall, at the option of the Issuer, cease, terminate and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien hereof, and, subject to the provisions of Sections 4.09, 4.11 and 4.12 hereof and Article IX hereof, reconvey to the Issuer the estate hereby conveyed, and assign and deliver to the Issuer any property at the time subject to the lien of this Indenture which may then be in its possession, except for the Rebate Fund and cash held by the Trustee for the payment of interest on and principal of the Bonds; otherwise this Indenture to be and remain in full force and effect and upon the trusts and subject to the covenants and conditions hereinafter set forth.

AND IT IS HEREBY COVENANTED AND AGREED by and between the parties hereto, that the terms and provisions upon which the Bonds are to be issued, executed,

authenticated, delivered and secured, and the trusts and conditions upon which the Trust Estate is to be held and disposed of, which said trusts and conditions the Trustee hereby accepts and agrees to discharge, are as follows (except that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not be a general obligation of the Issuer nor a debt or pledge of the faith and credit of the Issuer or the State, but shall be payable solely from the revenues and funds pledged for its payment in accordance with this Indenture):

ARTICLE I
DEFINITIONS

Section 1.01 ***Definitions.*** The terms used in this Indenture (except as herein otherwise expressly provided or unless the context otherwise requires) for all purposes of this Indenture and of any indenture supplemental hereto shall have the respective meanings specified below. Terms used herein not otherwise defined shall have the respective meanings set forth in the Financing Agreement and the Continuing Covenant Agreement.

"*Act of Bankruptcy*" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy, insolvency or similar proceeding) by or against the Borrower under any applicable bankruptcy, insolvency, reorganization or similar law, as now or hereafter in effect.

"Additional Payments" shall have the meaning given to that term in Section 4.02 of the Financing Agreement.

"Administration Fund" means the Administration Fund established by the Trustee pursuant to Section 4.01 hereof.

"*Administrative Expenses*" means the Issuer Fee, the City Administrative Fee, the Ordinary Trustee Fees and Expenses and the Dissemination Agent Fee.

"*Advance Termination Date*" means the earliest to occur of (i) the date when the sum of the aggregate advances of the Bonds made by the Bondholder Representative equals the Authorized Amount, (ii) _____ __, 20__, (iii) the Outside Conversion Date, (iv) the Conversion Date, (v) the date of a Determination of Taxability or (vi) the occurrence of an Event of Default hereunder.

"*Approved Buyer*" means (1) a "qualified institutional buyer" as defined in Rule 144A promulgated under the Securities Act; (2) an "accredited investor" as defined in paragraphs (1) through (3) of subsection (a) of Section 501 ("Section 501") of Regulation D promulgated under the Securities Act; (3) an entity that is directly or indirectly wholly owned or controlled by the purchaser/bondholder representative (being a financial institution described in (1) above); (4) an "accredited investor" as defined in paragraph (5) of subsection (a) of said Section 501, provided that the minimum net worth shall be $5,000,000; (5) an "accredited investor" as defined in paragraph (6) of subsection (a) of said Section 501, provided that the minimum income (individual or joint) shall be $1,000,000; (6) an entity all of the investors in which are described in (1), (2) or (3) above; or (7) a custodian or trustee for a party described in (1), (2), (3), (4) or (5) above

"*Assignment*" means the Assignment of Security Instrument dated as of the date hereof by the Issuer assigning its interest in the Bond Mortgage to the Trustee and the Bondholder Representative, as their interests may appear.

"*Authorized Amount*" shall mean [$35,000,000], the aggregate maximum principal amount of the Bonds authorized under this Indenture.

"Authorized Denomination" means $100,000 principal amount and any integral multiple of $1.00 in excess thereof, except that in each case one Bond of each series may be in a principal amount equal to the then Outstanding principal amount of the Bonds of such series.

"Authorized Officer" means (a) when used with respect to the Issuer, a Designated Officer, (b) when used with respect to the Borrower, any general partner of the Borrower and such additional Person or Persons, if any, duly designated by the Borrower in writing to act on its behalf, (c) when used with respect to the Trustee, any authorized signatory of the Trustee, or any Person who is authorized in writing to take the action in question on behalf of the Trustee, (d) when used with respect to the Servicer, any Person or Persons duly designated by the Servicer in writing to act on its behalf, and (e) when used with respect to the Bondholder Representative, any Person who is authorized in writing to take the action in question on behalf of the Bondholder Representative.

"Bankruptcy Code" means Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor federal statute.

"Bond Counsel" means (a) on the Delivery Date, the law firm or law firms delivering the approving opinion(s) with respect to the Bonds, or (b) any other firm of attorneys selected by the Issuer that is experienced in matters relating to the issuance of obligations by states and their political subdivisions that is listed as municipal bond attorneys in The Bond Buyer's Municipal Marketplace and is acceptable to the Bondholder Representative.

"Bond Fee Component" means the regular, ongoing fees due from time to time to the Issuer, the Trustee and the Rebate Analyst, if any, expressed as a flat, fixed amount or in terms of a percentage of the principal amount of Outstanding Bonds on an annual basis.

"Bond Financing Documents" means, collectively, this Indenture, the Bonds, the Land Use Restriction Agreement, the Tax Certificate, the Bond Mortgage Loan Documents and all other documents or instruments evidencing, securing or relating to the Bonds.

"Bond Fund" means the Bond Fund established by the Trustee pursuant to Section 4.01 hereof.

"*Bond Interest Rate*" means with respect to the Bonds, the Interest Rate as such term is defined in the Bond Mortgage Note; provided during the continuance of any Event of Default hereunder, the Bond Interest Rate shall be the Default Rate.

"*Bond Legal Reserve Fee*" means the fee to be paid by the Trustee on behalf of the Borrower to the Issuer, described in Section 4.16 of this Indenture.

"Bond Mortgage" means the Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof, together with all riders and addenda

thereto, granting a first priority mortgage and security interest in the Project to the Issuer to secure the repayment of the Bond Mortgage Loan and related obligations, which Bond Mortgage has been assigned by the Issuer to the Trustee, as the same may be amended, supplemented or restated.

"Bond Mortgage Loan" means the loan made by the Issuer to the Borrower in the original principal amount of [$35,000,000] pursuant to the Financing Agreement.

"*Bond Mortgage Loan Documents*" means the Bond Mortgage, the Bond Mortgage Note, the Financing Agreement, the Land Use Restriction Agreement, the Assignment, the Continuing Covenant Agreement, the Construction Funding Agreement and any and all other instruments and other documents evidencing, securing, or otherwise relating to the Bond Mortgage Loan or any portion thereof, including the other Financing Documents.

"Bond Mortgage Loan Fund" means the Bond Mortgage Loan Fund established by the Trustee pursuant to Section 2.11 hereof.

"*Bond Mortgage Note*" shall have the meaning given to that term in the recitals of this Indenture.

"Bond Register" means the books or other records maintained by the Bond Registrar setting forth the registered Holders from time to time of the Bonds.

"Bond Registrar" means the Trustee acting as such, and any other bond registrar appointed pursuant to this Indenture.

"Bond Year" means, with respect to an issue of Bonds, each one-year period that ends at the close of business on the day in the calendar year that is selected by Borrower as indicated in the Tax Certificate. The first and last Bond Years may be short periods. If no day is selected by Borrower before the earlier of the final maturity of an issue of Bonds or the date that is five years after the Delivery Date of such issue of Bonds, each Bond Year ends on each anniversary of the Delivery Date for such issue of Bonds and on the final maturity of such issue of Bonds.

"Bondholder" or *"Holder"* or *"Owner"* means any Person who shall be the registered owner of any Outstanding Bond or Bonds.

"Bondholder Representative" means the Person or Persons designated by the Majority Bondholder to act on behalf of all of the Bondholders as provided in Section 11.06, or an assignee of such Person or Persons as provided in Section 11.06. The initial Bondholder Representative shall be _____.

"Bonds" means the Issuer's Multifamily Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 in the maximum aggregate principal amount of [$35,000,000], the interest on which is excluded from gross income for purposes of federal income taxation.

"Borrower" means TTG Indian Trails Limited Partnership, an Illinois limited partnership, duly organized and existing under the laws of the State, or any of its permitted successors or assigns, as owner of the Project.

"Borrower Equity Account" means the Borrower Equity Account of the Bond Mortgage Loan Fund established by the Trustee pursuant to Section 2.11 hereof.

"Borrower Equity Deposit" means the initial deposit of [$_____], which shall be comprised of sources other than the proceeds of the Bonds.

"Business Day" means any day other than (a) a Saturday or a Sunday, or (b) a day on which (i) banking institutions or trust companies in Kansas City, Missouri, the City of New York or in the city in which the Principal Office of the Trustee is located are authorized or obligated by law, regulation or executive order to be closed or (ii) the Federal Reserve Bank of New York or the New York Stock Exchange is closed.

"Certificate of the Issuer" and *"Request of the Issuer"* mean, respectively, a written certificate or request signed in the name of the Issuer by an Authorized Officer of the Issuer or such other Person as may be designated and authorized to sign for the Issuer. Any such instrument and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

"City Administrative Fee" means the City Administrative Fee to be paid by the Trustee on behalf of the Borrower to the Issuer, described in Section 4.17 of this Indenture.

"Code" means the Internal Revenue Code of 1986 and the regulations promulgated thereunder.

"*Completion Guaranty*" means _____, in favor of the beneficiary parties named therein, as the same may be amended, supplemented or restated from time to time.

"*Completion Guaranty Payments*" means payments made by the guarantor(s) under the Completion Guaranty.

"*Construction Funding Agreement*" means the Construction Funding Agreement dated as of the date hereof by and between the Borrower and the Trustee, as the same may be amended, modified or supplemented from time to time.

"*Continuing Covenant Agreement*" means the Continuing Covenant Agreement dated as of the date hereof by and between the Borrower and the Trustee, as the same may be amended, modified or supplemented from time to time.

"Continuing Disclosure Agreement" means the Continuing Disclosure Agreement, dated the date of issuance of the Bonds, between the Borrower and the Trustee, as dissemination agent, as the same may amended, restated or supplemented from time to time.

"*Conversion Date*" has the meaning set forth in the Construction Funding Agreement.

"Cost," "Costs" or *"Costs of the Project"* means costs paid with respect to the Project that (i) are properly chargeable to capital account (or would be so chargeable with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs) in accordance with general federal income tax principles and in accordance with United States Treasury Regulations Section 1.103-8(a)(1), (ii) are paid with respect to a qualified residential rental project or projects within the meaning of Section 142(d) of the Code, (iii) are paid after the earlier of 60 days prior to the date of a resolution of the Issuer to reimburse costs of the Project with proceeds of the Bonds or the date of issue of the Bonds, and (iv) if the Costs of the Project

were previously paid and are to be reimbursed with proceeds of the Bonds such costs were (A) costs of issuance of the Bonds, (B) preliminary capital expenditures (within the meaning of United States Treasury Regulations Section 1.150-2(f)(2)) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition and/or rehabilitation of the Project that do not exceed twenty percent (20%) of the issue price of the Bonds (as defined in United States Treasury Regulations Section 1.148-1), or (C) were capital expenditures with respect to the Project that are reimbursed no later than eighteen (18) months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three (3) years after the expenditure is paid); provided however, that if any portion of the Project is being renovated or developed by the Borrower or an Affiliate (whether as a developer, a general contractor or a subcontractor), "Cost," "Costs" or "Costs of the Project" shall include only (a) the actual out-of-pocket costs incurred by the Borrower or such Affiliate in renovating or developing the Project (or any portion thereof), (b) any reasonable fees for supervisory services actually rendered by the Borrower or such Affiliate (but excluding any profit component) and (c) any overhead expenses incurred by the Borrower or such Affiliate which are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an affiliated group (within the meaning of Section 1504 of the Code) participating in the acquisition, renovation and/or development of the Project or payments received by such Affiliate due to early completion of the Project (or any portion thereof).

"Cost of Issuance Fund" means the Cost of Issuance Fund established by the Trustee pursuant to Section 4.01 hereof.

"Costs of Issuance" means, as applicable, (i) the fees (excluding ongoing fees), costs and expenses of (a) the Issuer, the Issuer's counsel and the Issuer's financial advisor, (b) Bond Counsel, (c) the Trustee and the Trustee's counsel, (d) the Bondholder Representative and the Bondholder Representative's counsel, and (e) Borrower's counsel attributable to the issuance of the Bonds and the Borrower's financial advisor, if any, and (ii) all other fees, costs and expenses directly associated with the authorization, issuance, sale and delivery of the Bonds, including, without limitation, printing costs, costs of reproducing documents, filing and recording fees.

"Costs of Issuance Deposit" means the deposit to be made by the Borrower with the Trustee on the Delivery Date, which deposit shall equal [$_____] and shall be comprised of sources other than the proceeds of the Bonds.

"*Conversion Date*" has the meaning set forth in the Construction Funding Agreement.

["*Default Rate*" means the lower of (i) the Bond Interest Rate otherwise in effect notwithstanding the default plus five percent (5%) per annum or (ii) the maximum rate allowed by law.]

"Delivery Date" means December __, 2025, the date of initial issuance and delivery of the Bonds.

"*Designated Officer*" means any member of the Board of Directors of the Issuer (the "Board") or the Executive Director of the Issuer, or any other person designated by a certificate signed by a member of the Board or such Executive Director and filed with the Trustee.

"*Determination of Taxability*" shall mean, (a) a determination by the Commissioner or any District Director of the Internal Revenue Service, (b) a private ruling or Technical Advice Memorandum issued by the National Office of the Internal Revenue Service in which Issuer and Borrower were afforded the opportunity to participate, (c) a determination by any court of competent jurisdiction, (d) the enactment of legislation or (e) receipt by Trustee or Bondholder Representative, at the request of Issuer, Borrower, Trustee or Bondholder Representative, of an opinion of Bond Counsel, in each case to the effect that the interest on the Bonds is includable in gross income for federal income tax purposes of any bondholder or any former bondholder, other than a bondholder who is a "substantial user" of the Project or a "related person" (as such terms are defined in Section 147(a) of the Code); provided, however, that no such Determination of Taxability under clause (a) or (c) shall be deemed to have occurred if the Issuer (at the sole expense of the Borrower) or the Borrower is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (i) a final determination from which no appeal may be taken with respect to such determination, (ii) abandonment of such appeal by the Issuer or the Borrower, as the case may be, or (iii) one year from the date of initial determination.

"Dissemination Agent" means the Trustee, or any successor, as Dissemination Agent under the Continuing Disclosure Agreement.

"Dissemination Agent Fee" means the fee payable to the Dissemination Agent as compensation for its services and expenses in performing its obligations under the Continuing Disclosure Agreement; provided, however, the amount of the Dissemination Agent Fee payable under this Indenture is limited to money withdrawn from the Expense Fund and the Borrower will be responsible to pay the remaining amount of the Dissemination Agent Fee pursuant to Section [4.04] of the Financing Agreement.

"*Electronic Notice*" means delivery of notice in a Word format or a Portable Document Format (PDF) by electronic mail to the electronic mail addresses listed in Section 11.05 hereof; provided, that if a sender receives notice that the electronic mail is undeliverable, notice must be sent as otherwise required by Section 11.05 hereof.

"Event of Default" or *"event of default"* means any of those events specified in and defined by the applicable provisions of Article VI hereof to constitute an event of default.

"*Expense Fund*" means the Expense Fund created in Section 4.01 hereof.

"Extraordinary Services" means and includes, but not by way of limitation, services, actions and things carried out and all expenses incurred by the Trustee, including in its capacity as Paying Agent and Bond Registrar, in respect of or to prevent default under this Indenture or the Bond Mortgage Loan Documents, including any reasonable attorneys' or agents' fees and expenses and other litigation costs that are entitled to reimbursement under the terms of the Financing Agreement, and other actions taken and carried out by the Trustee which are not expressly set forth in this Indenture or the Bond Mortgage Loan Documents.

"Extraordinary Trustee's Fees and Expenses" means all those fees, expenses and disbursements earned or incurred by the Trustee as described under Section 7.06 hereof during any Bond Year for Extraordinary Services, as set forth in a detailed invoice to the Borrower, the Servicer and the Bondholder Representative.

"*Facilities*" means the three five-story buildings on an approximately four-acre parcel located at the southeast corner of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois.

"Fair Market Value" means the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (a) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (b) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (c) the investment is a United States Treasury Security--State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (d) any commingled investment fund in which the Issuer and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of investment.

"Financing Agreement" means the Financing Agreement dated as of the date hereof among the Borrower, the Issuer and the Trustee, as such Financing Agreement may from time to time be amended or supplemented.

"*Financing Documents*" has the meaning set forth in the Continuing Covenant Agreement.

"Government Obligations" means investments meeting the requirements of clause (a) or (b) of the definition of "Qualified Investments" herein.

"*Impositions*" has the meaning set forth in the Continuing Covenant Agreement.

"Indenture" means this Indenture, as the same may have been from time to time amended or modified, together with any other indentures supplemental hereto.

"*Initial Bondholder*" means _____, as the initial purchaser of the Bonds.

"*Initial Debt Service Deposit*" means an amount equal to the interest payable on the Bonds for the period commencing on the Delivery Date to but not including the first day of the calendar month immediately succeeding the Delivery Date.

"Interest Payment Date" means (i) the dates interest is payable under the Bond Mortgage Note, (ii) for Bonds subject to redemption but only with respect to such Bonds, the date of redemption, and (iii) the Maturity Date.

"*Investment Income*" means the earnings and profits derived from the investment of money pursuant to Section 4.08 hereof.

"Issuer" means the City of Chicago, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois.

"Issuer Fee" means the amount of $_____, which represents 1.5% of the par amount of the Bonds, paid by the Trustee on behalf of the Borrower to the Issuer on the Closing Date in connection with, and as consideration for, the issuance of the Bonds, as described in Section 4.17 of this Indenture.

"Land Use Restriction Agreement" means the Land Use Restriction Agreement dated as of December 1, 2025, between the Issuer and the Borrower with respect to the Project and the Bonds.

"Limited Partner" means CREA Indian Trails, LLC.

"Loan Equalization Payment" means a mandatory prepayment of the Bond Mortgage Loan in the amount determined by the Bondholder Representative pursuant to the Construction Funding Agreement.

"*Mandatory Sinking Fund Schedule*" means the Mandatory Sinking Fund Schedule attached hereto as **Schedule 1**.

"*Majority Bondholder*" means the Bondholder or Bondholders holding, in the aggregate, more than fifty percent (50%) in aggregate principal amount of Bonds Outstanding, as of any date of determination.

"Maturity Date" means [January 1, 2043].

["Moody's" means Moody's Investors Service, Inc., its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.]

"Net Proceeds" when used with respect to any insurance or condemnation award, means the proceeds from the insurance or condemnation award with respect to which that term is used remaining after payment of all reasonable expenses incurred in the collection of such insurance proceeds or condemnation award, including reasonable attorneys' fees.

"Ordinary Trustee's Fees and Expenses" means the annual administration fee for the Trustee's ordinary fees and expenses in rendering its services under this Indenture during each twelve-month period, which fee is equal to (and shall not exceed) $3,500 and shall be payable in advance on the Delivery Date and on each anniversary thereof thereafter.

"Outside Conversion Date" has the meaning set forth in the Construction Funding Agreement.

"Outstanding" when used with respect to the Bonds or "Bonds Outstanding" means, as of any date, all Bonds that have been duly authenticated and delivered by the Trustee under this Indenture, except:

(i) Bonds surrendered and replaced upon exchange or transfer, or cancelled because of payment or redemption, at or prior to such date;

(ii) Bonds for the payment, redemption or purchase for cancellation of which sufficient money has been deposited prior to such date with the Trustee (whether upon or prior to the maturity, amortization or redemption date of any such Bonds), or which are deemed to have been paid and discharged pursuant to the provisions of Section 9.01

hereof; provided that if such Bonds are to be redeemed prior to the maturity thereof, other than by scheduled amortization, notice of such redemption shall have been given or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee;

(iii) Bonds authorized but not yet drawn-down and delivered to the Bond Purchaser; and

(iv) Bonds in lieu of which others have been authenticated (or payment, when due, of which is made without replacement) under Section 2.07 hereof; and also except that

(v) For the purpose of determining whether the holders of the requisite amount of Bonds Outstanding have made or concurred in any notice, request, demand, direction, consent, approval, order, waiver, acceptance, appointment or other instrument or communication under or pursuant to this Indenture, Bonds known to the Trustee to be owned by or for the account of the Borrower or any Person owned, controlled by, under common control with or controlling the Borrower shall be disregarded and deemed to be not Outstanding, unless all Bonds shall be so owned, and provided that the Trustee has knowledge of the foregoing. The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Beneficial ownership of 5% or more of a class of securities having general voting power to elect a majority of the board of directors of a corporation shall be conclusive evidence of control of such corporation.

"Paying Agent" means the Trustee acting as such, or any other paying agent appointed pursuant to this Indenture.

"Person" means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, a trust, an unincorporated association, a limited liability company or a government or any agency or political subdivision thereof, or any other organization or entity (whether governmental or private).

"*Prepayment Premium*" shall mean any premium payable by the Borrower under the Bond Mortgage Note in connection with a prepayment of the Bond Mortgage Loan.

"Principal Office of the Trustee" means the office of the Trustee referenced in Section 11.05(a) hereof, or such other office or offices as the Trustee may designate in writing from time to time, or the office of any successor Trustee where it principally conducts its business of serving as trustee under indentures pursuant to which municipal or governmental obligations are issued.

"Project" means, collectively, (i) the acquisition of the Facilities, and (ii) the Renovation of the Facilities.

"Project Account" means the Project Account of the Bond Mortgage Loan Fund established by the Trustee pursuant to Section 2.11 hereof.

"Qualified Investments" means any of the following if and to the extent permitted by law: (a) direct and general obligations of the United States of America; (b) obligations of any agency or instrumentality of the United States of America the payment of the principal of and interest on which are unconditionally guaranteed by the full faith and credit of the United States of America; (c) senior debt obligations of Freddie Mac; (d) senior debt obligations of Fannie Mae; (e) demand deposits or time deposits with, or certificates of deposit issued by, the Trustee or its affiliates or any bank organized under the laws of the United States of America or any state or the District of Columbia which has combined capital, surplus and undivided profits of not less than $50,000,000; provided that the Trustee or such other institution has been rated at least "VMIG-1"/"A-1+" by Moody's or S&P which deposits or certificates are fully insured by the Federal Deposit Insurance Corporation or collateralized pursuant to the requirements of the Office of the Comptroller of the Currency; (f) investment agreements with a bank or any insurance company or other financial institution which has a rating assigned by Moody's or S&P to its outstanding long-term unsecured debt which is the highest rating (as defined below) for long-term unsecured debt obligations assigned by Moody's or S&P, and which are approved by the Bondholder Representative; (g) shares or units in any money market mutual fund rated "Aaa"/"AAA" by Moody's or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security) (including mutual funds of the Trustee or its affiliates or for which the Trustee or an affiliate thereof serves as investment advisor or provides other services to such mutual fund receives reasonable compensation therefor) registered under the Investment Company Act of 1940, as amended, whose investment portfolio consists solely of (A) direct obligations of the government of the United States of America, or (B) tax exempt obligations; (h)(i) tax-exempt obligations rated in the highest short term rating category by Moody's or S&P, or (ii) shares of a tax-exempt municipal money market mutual fund or other collective investment fund registered under the federal Investment Company Act of 1940, whose shares are registered under the federal Securities Act of 1933, having assets of at least $100,000,000, and having a rating of "Aaa"/"AAA" by Moody's or S&P (or if a new rating scale is implemented, the equivalent rating category given by the Rating Agency for that general category of security), for which at least 95% of the income paid to the holders on interest in such money market fund will be excludable from gross income under Section 103 of the Code, including money market funds for which the Trustee or its affiliates receive a fee for investment advisory or other services to the fund; or (i) any other investments approved in writing by the Bondholder Representative. For purposes of this definition, the "highest rating" shall mean a rating of at least "VMIG-1"/"A-1+" for obligations with less than one year maturity; at least "Aaa"/"VMIG-1"/"AAA"/"A-1+" for obligations with a maturity of one year or greater but less than three years; and at least "Aaa"/"AAA" for obligations with a maturity of three years or greater. Qualified Investments must be limited to instruments that have a predetermined fixed-dollar amount of principal due at maturity that cannot vary or change and interest, if tied to an index, shall be tied to a single interest rate index plus a single fixed spread, if any, and move proportionately with such index.

"Rating Agency" means Moody's or S&P, as applicable, or any successor rating service thereof.

"Rebate Analyst" means a certified public accountant, financial analyst or bond counsel, or any firm of the foregoing, or financial institution (which may include the Trustee) experienced in making the arbitrage and rebate calculations required pursuant to Section 148 of the Code, selected and retained by the Borrower at the expense of the Borrower, with the prior written consent of the Issuer, to make the computations required under this Indenture and the Financing Agreement.

"Rebate Fund" means the Rebate Fund established by the Trustee pursuant to Section 4.01 hereof.

"Redemption Fund" means the Redemption Fund established by the Trustee pursuant to Section 4.01 hereof.

"*Renovations*" means the following: upgrades to the site of the Facilities, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems.

"*Replacement Reserve Fund*" means the fund of that name created pursuant to Section 4.01 hereof.

"Requisition" means, with respect to the Bond Mortgage Loan Fund, the requisition in the form attached hereto as ***Exhibit E*** (which may be signed solely by Administrative General Partner of the Borrower) to this Indenture required to be submitted in connection with disbursements from the Project Account and/or the Borrower Equity Account of the Bond Mortgage Loan Fund, and with respect to the Cost of Issuance Fund, the requisition in the form attached hereto as ***Exhibit D*** to this Indenture required to be submitted in connection with disbursements from the Cost of Issuance Fund.

"Responsible Officer" means any officer of the Trustee employed within or otherwise having regular responsibility in connection with the corporate trust department of the Trustee and the trusts created hereunder.

"Revenue Fund" means the Revenue Fund established by the Trustee pursuant to Section 4.01 hereof.

"Revenues" means (a) all payments made with respect to the Bond Mortgage Loan pursuant to the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage, and any other Bond Financing Documents, including but not limited to all casualty or other insurance benefits and condemnation awards paid in connection therewith and all payments obtained through the exercise of remedies under the Bond Financing Documents, and (b) all money and securities held by the Trustee in the funds and accounts established pursuant to this Indenture (excluding money or securities designated for deposit into and held in the Cost of Issuance Fund, the Administration Fund and the Rebate Fund), together with all investment earnings thereon.

"S&P" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and its successors and assigns, if such successors and assigns continue to perform the services of a securities rating agency.

"*Securities Act*" means the Securities Act of 1933, as in effect on the date hereof.

"Servicer" means any entity appointed by the Bondholder to service the Bond Mortgage Loan and any successor in such capacity as appointed by the Bondholder pursuant to Section 3.02 of the Financing Agreement. Initially, Berkadia Commercial Mortgage LLC shall be the Servicer.

"State" means the State of Illinois.

"*Tax and Insurance Escrow Fund*" means the fund of that name created pursuant to Section 4.01 hereof.

"Tax Certificate" means the Tax Certificate and Agreement, dated the Delivery Date, executed by the Issuer and the Borrower, relating to the Bonds, as the same may hereafter be amended or modified.

"*Title Company*" means First American Title Insurance Company.

"Trustee" means UMB Bank, National Association and its successors in trust hereunder.

"Trust Estate" shall have the meaning given to that term in the granting clauses of this Indenture.

"Unassigned Rights" means all of the rights of the Issuer and its directors, officers, commissioners, elected officials, attorneys, accountants, employees, agents and consultants to be held harmless and indemnified, to be paid its fees and expenses, to give or withhold consent to amendments, changes, modifications and alterations, to enforce venue, receive notices and the right to enforce such rights.

Section 1.02 ***Interpretation.*** The words "hereof," "herein," "hereunder," and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time. References to Articles, Sections, and other subdivisions of this Indenture are to the designated Articles, Sections and other subdivisions of this Indenture as originally executed. The headings of this Indenture are for convenience only and shall not define or limit the provisions hereof.

ARTICLE II
THE BONDS

Section 2.01 ***The Bonds***

(a) The Bonds are authorized to be issued hereunder as revenue bonds of the Issuer in accordance with the terms and provisions of the Act and the Bond Ordinance. The Bonds shall initially be designated "City of Chicago Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025." The Bonds shall be fully registered as to principal and interest, without coupons, and shall be numbered by series, if any, in the manner and with any additional designation as the Trustee, as Bond Registrar, deems necessary for the purpose of identification. All of the Bonds are equally and ratably secured. The Bonds shall be issued on the Delivery Date, shall be dated the Delivery Date and authenticated by the Trustee on such date. The Bonds shall be due and payable in full on their respective Maturity Date.

(b) The Bonds shall be purchased by the Initial Bondholder [on a draw-down basis] in Authorized Denominations up to the Authorized Amount. The proceeds of the Bonds shall be

advanced by the Initial Bondholder in installments directly to the Trustee for deposit to the Project Account upon satisfaction of the conditions to such advance set forth in the Construction Funding Agreement and the form of requisition attached as **Exhibit E** hereto. The Initial Bondholder by its acceptance of the Bonds agrees to fund the Bonds when required by the Construction Funding Agreement. Upon the advancement of the proceeds of the Bonds in accordance with the terms hereof, the principal amount of the Bonds in a principal amount equal to the amount so advanced shall be deemed to be increased automatically and without further acts on the part of the Issuer or the Trustee. The initial installment of the Bonds shall be in the amount of $_____, which amount shall be advanced to the Title Company in accordance with the Borrower's settlement statement (a copy of which shall be included in the final transcript for the transaction). Notwithstanding anything in this Indenture to the contrary, no additional amounts of the Bonds may be drawn down and funded hereunder after the Advance Termination Date. Any extension of the Advance Termination Date shall be subject to the receipt by the Trustee of (i) the prior written consent of the Bondholder Representative and (ii) an opinion of Bond Counsel (which shall also be addressed to the Bondholder Representative) to the effect that such extension will not adversely affect the tax-exempt status of the Bonds.

(c) The Trustee shall maintain in its books a log which shall reflect the principal amount of the Bonds advanced by the Bondholder Representative from time to time in accordance with the provisions of Section 2.01(b) above (the "**Record of Advances**"). The principal amount due on the Bonds shall be only such amount as has been advanced by the Bondholder Representative as reflected in the Record of Advances and not otherwise prepaid pursuant to the terms of this Indenture. The records maintained by the Trustee in such regard will be conclusive evidence of the principal amount of the Bonds (absent manifest error). The Trustee shall notify the Issuer and the Borrower if any advance of the proceeds of the Bonds is not made by the Bondholder Representative when due hereunder.

(d) Interest on the Bonds shall accrue at the applicable Bond Interest Rate computed on the basis of a 360-day year and the actual number of days elapsed. Interest on the Bonds shall be payable on each Interest Payment Date.

(e) The Bonds shall be issued in Authorized Denominations and shall mature on the Maturity Date, subject to redemption prior to maturity as provided in Article III hereof.

(f) In the event that principal of or interest payable on the Bonds is not paid when due, there shall be payable on the amount not timely paid, on each Interest Payment Date, interest at the Default Rate, to the extent permitted by law. Interest on the Bonds shall accrue at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full.

(g) Payment of principal of, premium, if any, and interest on the Bonds shall be payable in lawful currency of the United States by wire transfer in immediately available funds to an account within the United States of America designated by such registered Owner, without any necessity of presentation and surrender of Bonds upon any redemption thereof, or as otherwise directed by such Owner. In all events, the records of the Trustee shall be determinative of the aggregate principal amount of Bonds held by any Owner at any time, and such records shall be binding on the Issuer and all Owners absent manifest error.

(h) On or before the date fixed for redemption, money shall be deposited with the Trustee to pay, and the Trustee is hereby authorized and directed to apply such money to the

payment of, the Bonds or portions thereof called for redemption, together with accrued interest thereon to the redemption date.

(i) No Bonds may be issued under the provisions of this Indenture except in accordance with this Article. The total principal amount of Bonds that may be issued hereunder, or in substitution for other Bonds pursuant to Section 2.07 hereof, is expressly limited to the Authorized Amount.

Section 2.02 ***Intentionally Omitted***

Section 2.03 ***Limited Obligations***. None of the Issuer, any Issuer member or any person executing the Bonds is liable personally on the Bonds or subject to any personal liability or accountability by reason of their issuance. The Bonds are limited obligations of the Issuer, payable solely from and secured by the pledge of the Trust Estate hereunder. None of the Issuer, its members, the State, or any of its political subdivisions shall be directly, indirectly, contingently or morally obligated to use any other moneys or assets to pay all or any portion of the debt service due on the Bonds, to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment. The Bonds are not a pledge of the faith and credit of the Issuer, its members, the State or any of its political subdivisions nor do they constitute indebtedness within the meaning of any constitutional or statutory debt limitation. The Issuer has no taxing power.

The Issuer shall not be liable for payment of the principal of, redemption price or interest on the Bonds or any other costs, expenses, losses, damages, claims or actions of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Indenture, the Bonds or any other documents, except only to the extent amounts are received for the payment thereof from the Borrower under the Financing Agreement.

Section 2.04 ***Indenture Constitutes Contract.*** In consideration of the purchase and acceptance of the Bonds issued hereunder by those who shall hold them from time to time, the provisions of this Indenture shall be part of the contract of the Issuer with the Holders of the Bonds and shall be deemed to be a contract between the Issuer and the Holders of the Bonds from time to time.

Section 2.05 ***Form and Execution.*** The Bonds shall be issued in certificated form, in substantially the form attached hereto as ***Exhibit A***, with necessary and appropriate variations, omissions and insertions as are customary, permitted or required by this Indenture. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of a member of the Board. Any facsimile signatures shall have the same force and effect as if said officers had manually signed the Bonds.

In case any officer of the Issuer whose manual or facsimile signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained in office until delivery, and also any Bond may bear the facsimile signatures of, or may be signed by, such Persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such Persons may not have been such officers.

Section 2.06 ***Authentication.*** No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under this Indenture unless a certificate of authentication on such Bond, substantially in the form attached hereto as ***Exhibit A***, shall have been duly executed by an Authorized Officer of the Trustee; and such executed certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been duly executed, registered, authenticated and delivered under this Indenture. It shall not be necessary that the same Person sign the certificate of authentication on all of the Bonds.

Section 2.07 ***Mutilated, Lost, Stolen or Destroyed Bonds.*** In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer shall execute and the Trustee shall authenticate a new Bond of like denomination, interest rate, series, maturity and tenor in exchange and substitution for and upon cancellation of such mutilated Bond or in lieu of and in substitution for such lost, stolen or destroyed Bond, upon payment by the Owner thereof of any applicable tax or governmental charge and the reasonable expenses and charges of the Issuer and the Trustee in connection therewith, and in the case of a Bond lost, stolen or destroyed, the filing with the Trustee of evidence satisfactory to it that such Bond was lost, stolen or destroyed, and of the ownership thereof, and furnishing the Issuer and the Trustee with indemnity satisfactory to each of them. In the event any such Bond shall have matured, instead of issuing a duplicate Bond or Bonds the Issuer may pay the same without surrender thereof.

Section 2.08 ***Transfer and Exchange of Bonds; Persons Treated as Owners***

(a) The Trustee as Bond Registrar shall cause a Bond Register to be kept for the registration of transfers of Bonds. Any Bond may be transferred only upon an assignment duly executed by the registered Owner or such registered Owner's duly authorized representative in such form as shall be satisfactory to the Bond Registrar and upon surrender of such Bond to the Trustee for cancellation. A signature guaranty shall not be required in connection with any transfer of the Bonds. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the Trustee shall authenticate and deliver to the transferee a replacement fully registered Bond or Bonds, of Authorized Denomination or Denominations and for the amount of such Bond or Bonds so surrendered.

(b) The Bonds may be transferred only to an Approved Buyer in Authorized Denominations. An investor letter shall not be required for transfers of the Bonds after the Delivery Date.

(c) Any Bond may, in accordance with its terms, be exchanged, at the office of the Trustee, for a new fully registered Bond or Bonds, of the same maturity, of any Authorized Denomination or Denominations and for the aggregate amount of such Bond then Outstanding.

(d) In all cases in which Bonds shall be transferred or exchanged hereunder, the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange. The cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer or exchange shall be paid by the Borrower.

(e) The Person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered Owner thereof, or such registered Owner's legal representative, and

neither the Issuer nor the Trustee shall be affected by any notice to the contrary. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums to be paid.

(f) Neither the Issuer nor the Trustee shall be required to make any such exchange, registration or transfer of Bonds in the case of any proposed redemption of Bonds, during the period of fifteen (15) days immediately preceding the selection of Bonds for such redemption and after the giving of notice of redemption, the Trustee is not required to transfer or exchange any Bond or portion thereof which has been called for redemption.

Section 2.09 ***Reserved***

Section 2.10 ***Delivery of Bonds.*** Upon the execution and delivery of this Indenture, the Issuer shall execute and deliver to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to or upon the order of the Issuer upon receipt by the Trustee of the following:

(a) executed counterparts of this Indenture, the Financing Agreement, the Land Use Restriction Agreement and the Tax Certificate;

(b) an opinion of Bond Counsel to the effect that the Issuer has duly authorized, executed and delivered this Indenture and the Bonds and that the Bonds are valid and binding limited obligations of the Issuer subject to customary exceptions

(c) an opinion of counsel to the Issuer to the effect that the Issuer is duly organized and existing under the laws of the State;

(d) initial advance of the proceeds of the Bonds;

(e) the Bond Mortgage Note;

(f) a copy of the Bond Mortgage, the Assignment, the Continuing Covenant Agreement and the Construction Funding Agreement;

(g) an opinion of counsel to the Borrower substantially to the effect that the Borrower is duly organized and validly existing and in good standing under the laws of the state in which it has been organized and in good standing under the laws of each other state in which the Borrower transacts business and has full power and authority to enter into the agreements described herein to which it is a party, that its execution and delivery of and performance of its covenants in such agreements do not contravene law or any provision of any other agreement to which it is a party or by which it or such property is bound or affected, and that all such agreements have been duly authorized, executed and delivered by the Borrower, and are legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their respective terms;

(h) a customary approving opinion of Bond Counsel, substantially to the effect that the interest on the Bonds, under laws in effect on the date of such opinion, is excluded from gross income for federal income tax purposes and, where applicable, for State income tax purposes;

(i) a certified copy of the Bond Ordinance;

(j) the written request and authorization to the Trustee by the Issuer to authenticate and deliver the Bonds upon payment to the Trustee, for the account of the Issuer, of the sum specified as the initial advance therefor in such request and authorization;

(k) receipt by the Trustee of the amounts specified in Section 2.11 of this Indenture and Section 3.03 of the Financing Agreement; and

(l) receipt by the Trustee of an investor letter substantially in the form attached hereto as ***Exhibit C***.

Section 2.11 ***Establishment of Bond Mortgage Loan Fund; Application of Bond Proceeds and Other Money; Assignment of Bond Mortgage Loan to Trustee***

(a) The Trustee shall establish, maintain and hold in trust and there is hereby established with the Trustee a Bond Mortgage Loan Fund and therein a Project Account and a Borrower Equity Account. No amount shall be charged against the Bond Mortgage Loan Fund except as expressly provided in this Section 2.11 and Section 4.02 hereof.

(b) The initial proceeds of the sale of the Bonds shall be delivered to the Trustee on the Delivery Date. The Trustee shall deposit such initial proceeds, together with additional proceeds received, to the credit of the Project Account of the Bond Mortgage Loan Fund. Amounts in the Bond Mortgage Loan Fund shall be disbursed as provided in subparagraph (d) below, subject to the conditions set forth in Section 3.01 of the Financing Agreement. Upon the disbursement of all amounts in the Bond Mortgage Loan Fund, the Trustee shall close the Bond Mortgage Loan Fund.

(c) The Issuer shall cause the Borrower to deliver to the Trustee, on or prior to the Delivery Date, the Initial Debt Service Deposit for deposit to the credit of the Bond Fund, the Costs of Issuance Deposit for deposit to the credit of the Cost of Issuance Fund and the Borrower Equity Deposit for deposit to the credit of the Borrower Equity Account. The Trustee shall also deposit in the Borrower Equity Account any additional amounts delivered from time to time to the Trustee and directed by the Borrower or Servicer to be deposited therein, excluding any proceeds of the Bonds.

(d) Upon the making of the initial deposits described above in this Section 2.11, the Issuer shall originate the Bond Mortgage Loan pursuant to the Financing Agreement and the Trustee shall make disbursements of amounts in the Bond Mortgage Loan Fund to the Borrower or otherwise as provided in Section 4.02 hereof.

2.12 ***Direct Payments to Bondholder***

(a) Notwithstanding any provision in this Indenture to the contrary, during any period that a Servicer is engaged with respect to the Bonds, Issuer and Trustee agree that all payments of principal of, Prepayment Premium, if any, and interest on the Bonds due hereunder and under the Financing Agreement shall be paid by Borrower to Servicer; provided, however, Trustee shall be responsible for making the debt service payments out of the Project Account of the Bond Mortgage Loan Fund prior to the Conversion Date if directed by a Requisition and shall remit such amounts to the Servicer for remittance to the Bondholder. Servicer shall remit all payments collected from Borrower of principal of, Prepayment Premium, if any, and interest on the Bondholder, together with other amounts due to Bondholder, directly to Bondholder (without

payment through Trustee) per the instructions of Bondholder Representative; provided, however, Servicer shall be entitled to deduct its servicing fee from interest to be paid to the Bondholder prior to remitting such interest to Bondholder. Any payment made in accordance with the provisions of this Section 2.12 shall be accompanied by sufficient information to identify the source and proper application of such payment. Servicer shall promptly notify Trustee, Bondholder Representative and Issuer in writing of any failure of Borrower to make any payment of principal of, Prepayment Premium, if any, and interest on the Bonds when due and Trustee and Issuer shall not be deemed to have any notice of such failure unless it has received such notice in writing.

(b) So long as payments of principal of, Prepayment Premium, if any, and interest on the Bonds are being made to Servicer in accordance with this Section 2.12 and no Event of Default has occurred of which Trustee has been given, or been deemed to have, notice thereof pursuant to this Indenture, Trustee shall have no obligations to collect loan payments with respect to the Bonds, nor shall it be obligated to make such debt service payment pursuant to the Financing Agreement, except at the express written direction of Bondholder Representative; provided, however, Trustee shall be responsible for making the debt service payments out of the Project Account of the Bond Mortgage Loan Fund as required under Section 4.02 hereof prior to the Conversion Date and shall remit such amounts to the Servicer for remittance to the Bondholder. Notwithstanding the foregoing, Bondholder Representative may elect to have Trustee collect and remit Bond debt service hereunder and under the Financing Agreement upon written notice of such election to Trustee, Borrower and Issuer.

ARTICLE III
REDEMPTION OF BONDS PRIOR TO MATURITY

Section 3.01 ***Redemption of Bonds Prior to Maturity***

(a) **Optional Redemption**. The Bonds are subject to optional redemption upon optional prepayment of the Bond Mortgage Loan in accordance with the notice and other prepayment provisions set forth in the Bond Mortgage Note and Section 4.04 of the Financing Agreement, at a redemption price equal to the principal amount thereof plus accrued interest, if any, to the redemption date, plus any Prepayment Premium applicable upon prepayment of the Bond Mortgage Loan under the Bond Mortgage Note. The Borrower shall give the Trustee written notice of optional redemption pursuant to Section ___ of the _____ and, upon delivery of such written notice, the Issuer shall be deemed, without the necessity of any action on the Issuer's part, to have exercised its option to redeem the Bonds under this Section 3.01.

(b) **Mandatory Redemption.** The Bonds are subject to mandatory redemption on any Business Day, in whole or in part as indicated below, at a redemption price equal to the principal amount thereof plus accrued interest, if any, to the redemption date, plus any Prepayment Premium applicable upon prepayment of the Bond Mortgage Loan under the Bond Mortgage Note, at the earliest practicable date from funds deposited with the Trustee upon the occurrence of any of the following:

(i) in whole or in part, upon receipt by the Trustee of a written direction by the Bondholder to transfer Net Proceeds and/or Completion Guaranty Payments from the Revenue Fund to the Redemption Fund and to redeem such Bonds using such funds; or

(ii) in whole or in part, upon the occurrence of an event of default under any Bond Financing Document and receipt by the Trustee of a written direction by the Bondholder Representative to redeem the Bonds; or

(iii) in whole, upon the occurrence of a Determination of Taxability and receipt by the Trustee of a written direction by the Bondholder Representative to redeem the Bonds; or

(iv) in part, as provided in subsection (c) of this Section 3.01; or

(v) in part, on the Interest Payment Date next following the completion of the Project, to the extent amounts remaining in the Project Account of the Bond Mortgage Loan Fund are transferred to the Redemption Fund pursuant to Section 4.02(e) hereof; or

(vi) in part, at the written direction of the Bondholder Representative, in the event the Borrower is required to make a Loan Equalization Payment; or

(vii) in whole or in part in connection with a mandatory prepayment of the Bond Mortgage Loan pursuant to the Bond Mortgage Note.

(c) **Mandatory Sinking Fund Redemption.** The Bonds are subject to mandatory sinking fund redemption on the dates and in the amounts set forth on the Mandatory Sinking Fund Schedule attached as **Schedule 1** to this Indenture; provided that if less than all the Bonds shall have been redeemed pursuant to Section 3.01(a) or 3.01(b), the amount of Bonds to be redeemed in each year from sinking fund installments as provided in this Section 3.01(c) shall be decreased by an amount, in proportion, as nearly as practicable, to the decrease in the payments on the Bond Mortgage Loan in such year as determined by the Trustee (in consultation with and as verified by the Servicer). In the event the Outside Conversion Date is extended or the outstanding amount of the Bonds on the Conversion Date is greater than or less than the starting principal amount set forth in the Mandatory Sinking Fund Schedule, a new Mandatory Sinking Fund Schedule will be generated on the Conversion Date by the Servicer with a new amortization start date or at such greater or lesser outstanding principal amount, as applicable, based on the parameters set forth in the Construction Funding Agreement, subject to receipt of an opinion of Bond Counsel that such new Mandatory Sinking Fund Schedule will not adversely affect the exclusion of interest on the Bonds from the gross income of the holders thereof for federal income tax purposes. In the event the initial Mandatory Sinking Fund Schedule is modified in accordance with this Section 3.01(c), a replacement Mandatory Sinking Fund Schedule will be provided by the Servicer which will be attached to this Indenture on the Conversion Date.

Section 3.02 ***Selection of Bonds for Redemption***

(a) The Trustee shall select Bonds subject to mandatory sinking fund redemption pursuant to Section 3.01(c) hereof by lot within the appropriate maturity. If less than all the Bonds then Outstanding shall be called for redemption other than as a result of mandatory sinking fund redemption pursuant to Section 3.01(c) hereof, the Trustee shall redeem an amount of Bonds so that the resulting decrease in debt service on the Bonds is proportional, as nearly as practicable, as verified by the Servicer, and the Bonds shall be selected by lot within each maturity, the cost of such selection being at the Borrower's expense.

(b) Except with respect to mandatory sinking fund redemptions pursuant to Section 3.01(c) hereof, in the event that a Bond subject to redemption is in a denomination larger than an Authorized Denomination, all or a portion of such Bond may be redeemed, but only in a principal amount such that the remaining principal amount of the Bond not so redeemed shall be an Authorized Denomination (provided at any time the aggregate principal amount of Bonds Outstanding is [$250,000] or less, any Bonds to be redeemed pursuant to this Article may be redeemed in increments of [$0.01] or more).

Section 3.03 ***Notice of Redemption.*** Notice of the intended redemption of each Bond shall be given by the Trustee by first class mail, postage prepaid, or by Electronic Notice, to the registered Owner at the address of such Owner shown on the Bond Register. All such redemption notices shall be given not less than ten (10) days nor more than sixty (60) days prior to the date fixed for redemption. No notice of redemption is required with respect to mandatory sinking fund redemptions pursuant to Section 3.01(c) hereof.

Notices of redemption shall state the redemption date and the redemption price, the place or places where amounts due upon such redemption will be payable, and, if less than all of the then Outstanding Bonds are called for redemption, shall state (i) the numbers of the Bonds to be redeemed by giving the individual certificate number of each Bond to be redeemed or shall state that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption only if bonds cease to be book entry bonds; (ii) the CUSIP numbers of all Bonds being redeemed if available; (iii) the amount of each Bond being redeemed (in the case of a partial redemption); (iv) the date of issue of the Bond as originally issued; (v) the rate of interest borne by each Bond redeemed; (vi) the maturity date of each Bond being redeemed; and (vii) any other descriptive information needed to identify accurately the Bonds being redeemed.

Notice of such redemption shall also be sent by first class mail, overnight delivery service, Electronic Notice or other secure means, postage prepaid, to the Bondholder Representative and the Servicer, not later than the time of mailing of notices required by the first paragraph above, and in any event no later than simultaneously with the mailing of notices required by the first paragraph above.

Failure to give notice by mailing to the registered Owner of any Bond designated for redemption or to any depository or information service shall not affect the validity of the proceedings for the redemption of any other Bond if notice of such redemption shall have been mailed as herein provided.

Section 3.04 ***Cancellation.*** All Bonds that have been redeemed shall be marked cancelled by the Trustee, and shall not be reissued. A counterpart of the certificate of cancellation evidencing such cancellation shall, upon request, be furnished by the Trustee to the Issuer.

Section 3.05 ***[Reserved]***

ARTICLE IV
REVENUES AND FUNDS

Section 4.01 ***Pledge of Revenues and Assets; Establishment of Funds.*** The pledge and assignment of and the security interest granted in the Trust Estate pursuant to the Granting

Clauses hereof shall attach, be perfected and be valid and binding from and after the time of the delivery of the Bonds by the Trustee or by any Person authorized by the Trustee to deliver the Bonds. The Trust Estate so pledged and then or thereafter received by the Trustee shall immediately be subject to the lien of such pledge and security interest without any physical delivery thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Issuer irrespective of whether such parties have notice thereof.

In addition to the Bond Mortgage Loan Fund established pursuant to Section 2.11 hereof, the Trustee shall establish, maintain and hold in trust the following funds and accounts, each of which is hereby established and each of which shall be disbursed and applied only as herein authorized:

(a) Revenue Fund;

(b) Bond Fund;

(c) Redemption Fund;

(d) Administration Fund;

(e) Cost of Issuance Fund;

(f) Rebate Fund;

(g) Replacement Reserve Fund;

(h) Tax and Insurance Escrow Fund; and

(i) Expense Fund.

The funds and accounts established pursuant to Section 2.11 hereof and this Section 4.01 shall be maintained in the corporate trust department of the Trustee as segregated trust accounts, separate and identifiable from all other funds held by the Trustee. The Trustee shall, at the written direction of an Authorized Officer of the Issuer, and may, in its discretion, establish such additional accounts within any Fund, and subaccounts within any of the accounts, as the Issuer or the Trustee may deem necessary or useful for the purpose of identifying more precisely the sources of payments into and disbursements from that Fund and its accounts, or for the purpose of complying with the requirements of the Code relating to arbitrage, but the establishment of any such account or subaccount shall not alter or modify any of the requirements of this Indenture with respect to a deposit or use of money in the funds established hereunder, or result in commingling of funds not permitted hereunder.

Section 4.02 ***Bond Mortgage Loan Fund***

(a) Deposit. The Trustee shall deposit the proceeds of each advance of the proceeds of the Bonds into the Project Account of the Bond Mortgage Loan Fund as provided in Section 2.11(b) hereof. The Trustee shall deposit the Borrower Equity Deposit into the Borrower Equity Account of the Bond Mortgage Loan Fund, as well as any additional amounts delivered from time to time to the Trustee and directed by the Borrower or Servicer to be deposited therein (excluding any proceeds of the Bonds), as provided in Section 2.11(c) hereof.

(b) Disbursements. Amounts on deposit in the Bond Mortgage Loan Fund shall be disbursed from time to time by the Trustee for the purpose of paying Costs of the Project or for paying interest on the Bonds as provided in Section 2.12 hereof. In addition, amounts in the Bond Mortgage Loan Fund shall be transferred to the Redemption Fund and the Rebate Fund at the times and in the manner provided in subsection (e) of this Section 4.02.

(c) Transfers and Requisitions. The Trustee shall make disbursements from the respective accounts of the Bond Mortgage Loan Fund for purposes described in subsection (b) of this Section 4.02 only upon the receipt of Requisitions signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Servicer (signifying the consent to the Requisition by the Servicer). The Trustee shall have no right or duty to determine whether any requested disbursement from the Bond Mortgage Loan Fund complies with the terms, conditions and provisions of the Construction Funding Agreement. The countersignature of the Authorized Officer of the Servicer on a Requisition shall be deemed a certification and, insofar as the Trustee and the Issuer are concerned, constitute conclusive evidence, that all of the terms, conditions and requirements of the Construction Funding Agreement applicable to such disbursement have been fully satisfied or waived. The Trustee shall, immediately upon each receipt of a completed Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Servicer, initiate procedures with the provider of a Qualified Investment to make withdrawals as necessary to fund the Requisition.

The Requisition described in the foregoing paragraph (each a "**Requisition**") shall be in the form attached as **Exhibit E** hereto and as Exhibit B to the Financing Agreement.

Notwithstanding anything to the contrary contained herein, no signature of an Authorized Officer of the Borrower shall be required during any period in which a default has occurred and is then continuing under the Bond Mortgage Loan or any Bond Financing Document (notice of which default has been given in writing by the Bondholder Representative or the Servicer to the Trustee and the Issuer, and the Trustee shall be entitled to conclusively rely on any such written notice as to the occurrence and continuation of such a default).

(d) If a Requisition signed by an Authorized Officer of the Borrower and countersigned by an Authorized Officer of the Servicer or (as permitted hereunder) solely by an Authorized Officer of the Servicer, is received by the Trustee, the requested disbursement shall be paid by the Trustee as soon as practicable, but in no event later than three (3) Business Days following receipt thereof by the Trustee. Upon final disbursement of all amounts on deposit in the Bond Mortgage Loan Fund, including all interest accrued therein, the Trustee shall close the Bond Mortgage Loan Fund.

(e) Immediately prior to any mandatory redemption of Bonds pursuant to Section 3.01(b)(ii) hereof, any amount then remaining in the Bond Mortgage Loan Fund shall, at

the written direction of the Bondholder Representative, be transferred to the Redemption Fund to pay amounts due on the Bonds. In addition, any amount remaining in the Project Account of the Bond Mortgage Loan Fund following completion of the Project in accordance with the Construction Funding Agreement, evidenced by an instrument signed by the Bondholder Representative or the Servicer, shall be transferred to the Redemption Fund and used to redeem Bonds in accordance with Section 3.01(b)(v) hereof, unless the Trustee receives an opinion of Bond Counsel (which shall also be addressed to the Bondholder Representative) to the effect that a use of such money for other than redemption of the Bonds will not adversely affect the tax exempt status of the Bonds; provided, that any amounts in the Project Account of the Bond Mortgage Loan Fund in excess of the amount needed to fund the related redemption of the Bonds shall be transferred to the Rebate Fund. In the event there are funds remaining in the Borrower Equity Account following completion of the construction and/or rehabilitation of the Project in accordance with the Construction Funding Agreement and the stabilization requirements have been satisfied under the Construction Funding Agreement, evidenced by an instrument signed by the Bondholder Representative, and provided no default by the Borrower exists under this Indenture or any Bond Mortgage Loan Document, such funds shall be paid by the Trustee to the Borrower at the written direction of the Bondholder Representative or the Servicer.

(f) Amounts on deposit in the Bond Mortgage Loan Fund shall be invested as provided in Section 4.08 hereof. All Investment Income on amounts on deposit in the Bond Mortgage Loan Fund shall be retained in and credited to and become a part of the amounts on deposit in the Bond Mortgage Loan Fund, and shall constitute part of any transfers required by subsection (b) or (e) of this Section 4.02.

Section 4.03 ***Application of Revenues***

(a) All Revenues shall be deposited by the Trustee, promptly upon receipt thereof, to the Revenue Fund, except (i) the proceeds of the Bonds received by the Trustee on the Delivery Date, which shall be applied in accordance with the provisions of Section 2.11 hereof; (ii) the Initial Debt Service Deposit, which shall be deposited in the Bond Fund; (iii) as otherwise specifically provided in subsection (c) of this Section 4.03 with respect to certain deposits into the Redemption Fund; (iv) with respect to Investment Income to the extent required under the terms hereof to be retained in the funds and accounts to which they are attributable; and (v) with respect to amounts required to be transferred between funds and accounts as provided in this Article IV.

(b) On each Interest Payment Date or any other date on which payment of principal of or interest on the Bonds becomes due and payable, the Trustee, out of money in the Revenue Fund, shall credit the following amounts to the following funds and accounts, but in the order and within the limitations hereinafter indicated with respect thereto, as follows:

FIRST: to the Bond Fund, an amount equal to the principal of and interest due on the Bonds on such date (including the principal due on any mandatory sinking fund redemptions); and

SECOND: to the Redemption Fund, an amount equal to the principal and interest due on the Bonds on such date with respect to a redemption of all or a portion of the Bonds pursuant to Section 3.01(b) hereof (other than a mandatory sinking fund redemption or any extraordinary mandatory redemption as described in Section 4.03(c)(i) or (iii) below).

(c) Promptly upon receipt, the Trustee shall deposit directly to the Redemption Fund; (i) funds paid to the Trustee to be applied to the optional redemption of all or a portion of the Bonds pursuant to Sections 3.01(a); and (ii) amounts transferred to the Redemption Fund from the Bond Mortgage Loan Fund pursuant to Section 4.02(e) hereof.

(d) Should the amount in the Bond Fund be insufficient to pay the amount due on the Bonds on any given Interest Payment Date, the Trustee shall credit to the Bond Fund the amount of such deficiency by charging the following funds and accounts in the following order of priority: (1) the Revenue Fund; and (2) the Redemption Fund, except no such charge to the Redemption Fund shall be made from money to be used to effect a redemption for which notice of redemption has been provided for or from money which is held for payment of Bonds which are no longer Outstanding hereunder.

Section 4.04 ***Application of Bond Fund.*** The Trustee shall charge the Bond Fund, on each Interest Payment Date, an amount equal to the unpaid interest and principal due on the Bonds on such Interest Payment Date as provided in Section 4.03(a) and (b), and shall cause the same to be applied to the payment of such interest and principal when due. Any money remaining in the Bond Fund on any Interest Payment Date after application as provided in the preceding sentence may, to the extent there shall exist any deficiency in the Redemption Fund to redeem Bonds called for redemption on such Interest Payment Date, be transferred to the Redemption Fund to be applied for such purpose.

Any Investment Income on amounts on deposit in the Bond Fund shall be deposited by the Trustee upon receipt thereof in the Revenue Fund.

No amount shall be charged against the Bond Fund except as expressly provided in this Article IV and in Section 6.05 hereof.

Section 4.05 ***Application of Redemption Fund.*** Any money credited to the Redemption Fund shall be applied as set forth in Sections 4.03(b) and 4.03(c) hereof; provided, however, that to the extent any money credited to the Redemption Fund is in excess of the amount necessary to effect the redemptions described in Sections 4.03(b) and 4.03(c) hereof it shall be applied to make up any deficiency in the Bond Fund on any Interest Payment Date, to the extent money then available in accordance with Section 4.03(d) hereof in the Revenue Fund is insufficient to make up such deficiency; provided that no money to be used to effect a redemption for which a conditional notice of redemption, the conditions of which have been satisfied, or an unconditional notice of redemption has been provided or money which is held for payment of Bonds which are no longer Outstanding hereunder shall be so transferred to the Bond Fund.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Redemption Fund shall be credited by the Trustee to the Revenue Fund.

No amount shall be charged against the Redemption Fund except as expressly provided in this Article IV and in Section 6.05 hereof.

Section 4.06 ***Administration Fund.*** The Trustee shall deposit into the Administration Fund, promptly upon receipt thereof, all amounts received from the Borrower designated for deposit into such Fund. Amounts in the Administration Fund shall be withdrawn or maintained, as appropriate, by the Trustee and used **FIRST**, to pay to the Trustee when due the Ordinary

Trustee's Fees and Expenses; **SECOND**, to pay to the Issuer when due the Issuer Fee; **THIRD**, to pay when due the reasonable fees and expenses of a Rebate Analyst in connection with the computations relating to arbitrage rebate required under this Indenture and the Financing Agreement, upon receipt of an invoice from the Rebate Analyst; **FOURTH**, to pay to the Trustee any Extraordinary Trustee's Fees and Expenses due and payable from time to time, as set forth in an invoice submitted to the Borrower and the Servicer; **FIFTH**, to pay to the Issuer any extraordinary expenses it may incur in connection with the Bonds or this Indenture from time to time, as set forth in an invoice submitted to the Trustee and the Servicer; **SIXTH**, to pay to the Bondholder Representative any unpaid amounts due under the Continuing Covenant Agreement, as certified in writing by the Bondholder Representative to the Trustee; **SEVENTH**, to make up any deficiency in the Redemption Fund on any redemption date of Bonds, to the extent money then available in accordance with Section 4.03(d) hereof in the Redemption Fund is insufficient to redeem Bonds called for redemption on such redemption date; and **EIGHTH**, to transfer any remaining balance after application as aforesaid to the Revenue Fund.

In the event that the amounts on deposit in the Administration Fund are not equal to the amounts payable from the Administration Fund as provided in the preceding paragraph on any date on which such amounts are due and payable, the Trustee shall give notice to the Borrower of such deficiency and of the amount of such deficiency and request payment within two (2) Business Days to the Trustee of the amount of such deficiency. Upon payment by the Borrower of such deficiency, the amounts for which such deficiency was requested shall be paid by the Trustee.

On or before each Interest Payment Date, any Investment Income on amounts on deposit in the Administration Fund not needed to pay the foregoing amounts shall be credited by the Trustee to the Revenue Fund.

No amount shall be charged against the Administration Fund except as expressly provided in this Article IV and Section 6.05 hereof.

Section 4.07 ***Net Proceeds and Completion Guaranty Payments.*** Net Proceeds and Completion Guaranty Payments received by the Trustee shall be deposited into the Revenue Fund and shall be used solely at the written direction of the Bondholder to complete and/or restore the Project and/or for the redemption of all or a portion of the Bonds.

Section 4.08 ***Investment of Funds.*** The money held by the Trustee shall constitute trust funds for the purposes hereof. Any money attributable to each of the funds and accounts hereunder shall be, except as otherwise expressly provided herein, invested by the Trustee, at the written direction of the Borrower (or, in the case of the Rebate Fund, as provided in Section 5.07(b)), in Qualified Investments which mature or shall be subject to redemption or withdrawal at par without penalty on or prior to the earlier of (i) six months from the date of investment and (ii) the date such money is needed; provided, that if the Trustee shall have entered into any investment agreement requiring investment of money in any fund or account hereunder in accordance with such investment agreement and if such investment agreement constitutes a Qualified Investment, such money shall be invested in accordance with such requirements. In the absence of written direction from the Borrower, the Trustee shall hold all such amounts uninvested. Such investments may be made through the investment or securities department of the Trustee. The Trustee may purchase from or sell to itself or an affiliate, as principal or agent, securities herein authorized. The Trustee shall be entitled to assume, absent receipt by the

Trustee of written notice to the contrary, that any investment which at the time of purchase is a Qualified Investment remains a Qualified Investment thereafter.

Qualified Investments representing an investment of money attributable to any fund or account shall be deemed at all times to be a part of said fund or account, and, except as otherwise may be provided expressly in other Sections hereof, the interest thereon and any profit arising on the sale thereof shall be credited to the Revenue Fund, and any loss resulting on the sale thereof shall be charged against the Revenue Fund. Such investments shall be sold at the best price obtainable (at least par) whenever it shall be necessary so to do in order to provide money to make any transfer, withdrawal, payment or disbursement from said fund or account. In the case of any required transfer of money to another such fund or account, such investments may be transferred to that fund or account in lieu of the required money if permitted hereby as an investment of money in that fund or account. The Trustee shall not be liable or responsible for any loss resulting from any investment or sale of any investment made in accordance herewith. The parties hereto acknowledge that the Trustee is not providing investment supervision, recommendations, or advice.

The Issuer acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, to the extent permitted by law, the Issuer specifically waives compliance with 12 C.F.R. 12 and hereby notifies the Trustee hereunder, that no brokerage confirmations need be sent relating to the security transactions as they occur.

In computing for any purpose hereunder the amount in any fund or account on any date, obligations so purchased shall be valued at Fair Market Value.

Section 4.09 ***Money Held for Particular Bonds; Funds Held in Trust.*** The amounts held by the Trustee for the payment of the interest, principal or redemption price due on any date with respect to particular Bonds pending such payment, shall be set aside and held in trust by it for the Holders of the Bonds entitled thereto, and for the purposes hereof such interest, principal or redemption price, after the due date thereof, shall no longer be considered to be unpaid.

All money held by the Trustee for such purpose at any time pursuant to the terms of this Indenture shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 4.10 ***Accounting Records.*** The Trustee shall maintain accurate books and records for all funds and accounts established hereunder and provide monthly statements (or other electronic access as agreed to by the parties) of such funds and accounts to the Issuer and the Borrower upon request.

Section 4.11 ***Amounts Remaining in Funds.*** After full payment of the Bonds (or provision for payment thereof having been made in accordance with Section 9.01 hereof) and full payment of the fees, charges and expenses of the Issuer and the Trustee and other amounts required to be paid hereunder or under any Bond Mortgage Loan Document, including, but not limited to, the Continuing Covenant Agreement (as certified in writing to the Trustee by the Issuer with respect to amounts due to the Issuer and by the Bondholder Representative or the Servicer on its behalf with respect to amounts owed under the Continuing Covenant Agreement), any amounts remaining in any fund or account hereunder other than the Rebate Fund shall be paid to the Borrower.

Section 4.12 ***Rebate Fund; Compliance with Tax Certificate.*** The Rebate Fund shall be established by the Trustee and held and applied as provided in this Section 4.12. On any date on which any amounts are required by applicable federal tax law to be rebated to the federal government, amounts shall be deposited into the Rebate Fund by the Borrower for such purpose. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the rebate requirement (as set forth in the Tax Certificate) and as calculated by the Rebate Analyst, for payment to the government of the United States of America, and none of the Issuer, the Borrower or the Bondholders shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund shall be governed by this Section 4.12 and by the Tax Certificate. The Trustee shall conclusively be deemed to have complied with such provisions if it follows the written instructions of the Issuer, Bond Counsel or the Rebate Analyst, including supplying all necessary information in the manner set forth in the Tax Certificate, and shall not be required to take any actions under the Tax Certificate in the absence of written instructions from the Issuer, Bond Counsel or the Rebate Analyst.

Notwithstanding any provision of this Indenture to the contrary, the obligation to remit payment of the arbitrage rebate to the United States of America and to comply with all other requirements of Sections 2.04 and 4.03 of the Financing Agreement and this Section 4.12, and the requirements of the Tax Certificate shall survive the defeasance or payment in full of the Bonds.

Any funds remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any Rebate Requirement, or provision made therefor satisfactory to the Trustee, shall be withdrawn and remitted to the Borrower.

The Trustee shall obtain and keep such records of the computations made pursuant to this Section 4.12 as are required under Section 148(f) of the Code to the extent furnished to the Trustee. The Borrower shall or shall cause the Rebate Analyst to provide to the Issuer and the Trustee copies of all rebate computations made pursuant to this Section 4.12. The Trustee shall keep and make available to the Borrower such records concerning the investments of the gross proceeds of the Bonds and the investments of earnings from those investments made by the Trustee as may be requested by the Borrower in order to enable the Borrower to cause the Rebate Analyst to make the aforesaid computations as are required under Section 148(f) of the Code.

Notwithstanding the foregoing, the computations and payments of arbitrage rebate need not be made to the extent that neither the Issuer nor the Borrower will thereby fail to comply with any requirements of Section 148(f) of the Code based on an opinion of Bond Counsel, to the effect that such failure will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds, a copy of which shall be provided to the Trustee and the Bondholder Representative, at the expense of the Borrower.

Section 4.13 ***Cost of Issuance Fund.*** The Trustee shall use money on deposit to the credit of the Cost of Issuance Fund to pay the costs of issuance on the Delivery Date or as soon as practicable thereafter in accordance with a Requisition in the form of Exhibit D to be given to the Trustee by the Borrower on the Delivery Date, along with appropriate invoices for such expenses. Amounts in the Cost of Issuance Fund funded with proceeds of the Bonds, if any, shall be expended prior to the application of the Costs of Issuance Deposit. Investment Income on amounts on deposit in the Cost of Issuance Fund shall be retained in such fund. Amounts remaining on deposit in the Cost of Issuance Fund six (6) months after the Delivery Date shall be

transferred to the Borrower. Upon such final disbursement, the Trustee shall close the Cost of Issuance Fund.

Section 4.14 ***Replacement Reserve Fund.*** There shall be deposited in the Replacement Reserve Fund all moneys received for such purpose by the Trustee from the Borrower (or the Servicer) pursuant to the Continuing Covenant Agreement. Moneys in the Replacement Reserve Fund shall be disbursed by the Trustee upon receipt of a written request therefor executed by the Borrower and approved in writing by the Bondholder Representative or the Servicer, in accordance with the terms of the Continuing Covenant Agreement; provided that, upon the occurrence and continuation of an Event of Default hereunder, all moneys and investments in the Replacement Reserve Fund (other than moneys held to pay costs required to be paid but not yet payable) shall be disbursed solely at the written direction of the Bondholder Representative or the Servicer to pay any costs and expenses of the Project, to pay costs of enforcement of the Bond Financing Documents and to pay any and all amounts owed by the Borrower under the Bond Financing Documents, in whatever amounts and whatever order the Bondholder Representative may determine. Upon the payment in full of the Bonds, or provision for the payment of the Bonds having been made pursuant to Section 9.01 hereof, upon payment of amounts payable to the United States pursuant to any rebate requirement and any other amounts owing hereunder and under the Continuing Covenant Agreement, any amounts remaining in the Replacement Reserve Fund shall be paid to the Borrower as soon as practicable.

Section 4.15 ***Tax and Insurance Escrow Fund.*** There shall be deposited in the Tax and Insurance Escrow Fund all moneys received for such purpose by the Trustee from the Borrower (or the Servicer) pursuant to the Continuing Covenant Agreement. Moneys in the Tax and Insurance Escrow Fund shall be applied to payment of Impositions and insurance premiums at the written direction of the Borrower, Bondholder Representative or the Servicer; provided, however, that upon the occurrence and continuation of an Event of Default hereunder all money and investments held in the Tax and Insurance Escrow Fund shall be disbursed solely at the written direction of the Bondholder Representative or the Servicer to pay costs and expenses of the Project, to pay costs of enforcement of the Bond Financing Documents and to pay any and all amounts owed by the Borrower under any of the Bond Financing Documents, in whatever amounts and in whatever order the Bondholder Representative may determine. Upon the payment in full of the Bonds and the fees and expenses of the Issuer and the Trustee, or provision for the payment of the Bonds having been made pursuant to Section 9.01 hereof, and upon payment of amounts payable to the United States pursuant to any rebate requirement and any other amounts owing hereunder and under the Continuing Covenant, any amounts remaining in the Tax and Insurance Escrow Fund shall be paid to the Borrower.

Section 4.16 ***Expense Fund***

The Trustee shall apply money on deposit in the Expense Fund solely for the following purposes, on the dates specified below, in the following order of priority:

(a) to transfer money to the Rebate Fund to the extent necessary to pay the Rebate Amount (if any) pursuant to Section ___ hereof;

(b) to pay the Ordinary Trustee's Fees and Expenses when due;

(c) to pay the Issuer Fee and the City Administrative Fee when due; and

(d) to pay the Dissemination Agent Fee when due.

To the extent money in the Expense Fund is not sufficient to pay the foregoing fees and expenses, such deficiency shall be paid by the Borrower pursuant to Section ___ of the Financing Agreement immediately upon written demand by the Trustee.

Section 4.17 ***Payment of Fees***

In connection with the issuance of the Bonds and with the Project, the Borrower will pay the following fees in the following manner:

The Trustee will pay, from the Expense Fund, the following fees on behalf of the Borrower:

(i) To the Issuer, an Issuer Fee in an amount equal to 1.5% of the par amount of the Bonds, payable on the Closing Date from _____;

(ii) To the Issuer, a Bond Legal Reserve Fee in an amount equal to 0.10% of the par amount of the Bonds, payable on the Closing Date from _____;

(iii) To the Trustee, the Ordinary Trustee Fees and Expenses; and

(iv) To the Issuer, a City Administrative Fee in an amount equal to 0.15% of the outstanding principal amount of the Bonds, accruing monthly and payable to the Issuer semi-annually.

Section 4.18 ***Reports from the Trustee.*** Upon request of the Bondholder Representative or the Servicer, the Trustee shall provide a statement setting forth the following in respect of any calendar month:

(i) the amount withdrawn or transferred by it, and the amount deposited within or on account of each fund and account held by it under the provisions of this Indenture, including the amount of investment income on each fund and account;

(ii) the amount on deposit with it at the end of such month to the credit of each fund and account;

(iii) a brief description of all obligations held by it as an investment of money in each such fund and account; and

(iv) any other information which the Bondholder Representative or the Issuer may reasonably request and to which the Trustee has access in the ordinary course of its operations.

Upon the written request of any Bondholder, the Trustee, at the cost of the Borrower, shall provide a copy of such statement to such Bondholder. All records and files pertaining to the Trust Estate shall be open at all reasonable times to the inspection of the Issuer and the Bondholder Representative or the Servicer and their agents and representatives upon reasonable prior notice during normal business hours.

ARTICLE V
GENERAL COVENANTS AND REPRESENTATIONS

Section 5.01 ***Payment of Principal and Interest.*** The Issuer covenants that it will promptly pay or cause to be paid, but only from the sources identified herein, sufficient amounts to provide for the payment of the principal of, premium, if any, and interest on the Bonds at the place, on the dates and in the manner provided herein and in the Bonds, according to the true intent and meaning thereof.

Section 5.02 ***Performance of Covenants.*** The Issuer covenants that it will faithfully perform at all times any and all of its covenants, undertakings, stipulations and provisions contained in this Indenture, in any and every Bond executed, authenticated and delivered hereunder and in all proceedings pertaining thereto.

Section 5.03 ***Instruments of Further Assurance.*** The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such indentures supplemental hereto, and such further acts, instruments and transfers as may be reasonably required for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee all and singular its interest in the property herein described and the revenues, receipts and other amounts pledged hereby to the payment of the principal of, premium, if any, and interest on the Bonds. Any and all interest in property hereafter acquired which is of any kind or nature herein provided to be and become subject to the lien hereof shall and without any further conveyance, assignment or act on the part of the Issuer or the Trustee, become and be subject to the lien of this Indenture as fully and completely as though specifically described herein, but nothing in this sentence contained shall be deemed to modify or change the obligations of the Issuer under this Section 5.03. The Issuer covenants and agrees that, except as herein otherwise expressly provided, it has not and will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in the Trust Estate or the revenues or receipts therefrom.

The Issuer will promptly notify the Trustee, the Bondholder Representative and the Servicer in writing of the occurrence of any of the following:

(i) the submission of any claim or the initiation of any legal process, litigation or administrative or judicial investigation against the Issuer with respect to the Bonds;

(ii) any change in the location of the Issuer's principal office or any change in the location of the Issuer's books and records relating to the transactions contemplated hereby;

(iii) the occurrence of any default or Event of Default of which the Issuer has actual knowledge;

(iv) the commencement of any proceedings or any proceedings instituted by or against the Issuer in any federal, state or local court or before any governmental body or agency, or before any arbitration board, relating to the Bonds; or

(v) the commencement of any proceedings by or against the Issuer under any applicable bankruptcy, reorganization, liquidation, rehabilitation, insolvency or other similar law now or hereafter in effect or of any proceeding in which a receiver, liquidator,

conservator, trustee or similar official shall have been, or may be, appointed or requested for the Issuer or any of its assets relating to the Bonds.

Section 5.04 ***Inspection of Project Books.*** The Issuer covenants and agrees that all books and documents in its possession relating to the Project shall, upon reasonable prior notice, during normal business hours, be open to inspection and copying by such accountants or other agents as the Trustee or the Bondholder Representative may from time to time reasonably designate.

Section 5.05 ***No Modification of Security; Additional Indebtedness.*** The Issuer covenants to and for the benefit of the Bondholders that it will not, without the prior written consent of the Bondholder Representative, take any of the following actions:

(i) alter, modify or cancel, or agree to consent to alter, modify or cancel any agreement to which the Issuer is a party, or which has been assigned to the Issuer, and which relates to or affects the security for the Bonds or the payment of any amount owed under the Bond Financing Documents; or

(ii) create or suffer to be created any lien upon the Trust Estate or any part thereof other than the lien created hereby and by the Bond Mortgage.

Section 5.06 ***Foreign Account Tax Compliance Act Compliance.*** The Issuer acknowledges herein and the Borrower acknowledges in the Financing Agreement that, under the provisions of the Foreign Account Tax Compliance Act, the Trustee is obligated to withhold a percentage of the proceeds from any disbursement to a payee that has not delivered to the Trustee a tax identification number on a correctly completed IRS Form W-9.. If requested by the Trustee, the Issuer and the Borrower shall each provide the Trustee with a copy of any such completed Form W-9 form for the initial disbursement to any payee pursuant to any provision hereof.

Section 5.07 ***Tax Covenants***

(a) *Issuer's Covenants*. The Issuer covenants to and for the benefit of the Holders of the Bonds that it will:

(i) neither make or use nor cause to be made or used any investment or other use of the proceeds of the Bonds or the money and investments held in the funds and accounts in any manner which would cause the Bonds to be arbitrage bonds under Section 148 of the Code and the Regulations issued under Section 148 of the Code (the "**Regulations**") or which would otherwise cause the interest payable on the Bonds to be includable in gross income for federal income tax purposes;

(ii) enforce or cause to be enforced all obligations of the Borrower under the Regulatory Agreement in accordance with its terms and seek to cause the Borrower to correct any violation of the Regulatory Agreement within a reasonable period after it first discovers or becomes aware of any such violation;

(iii) not take or cause to be taken any other action or actions, or fail to take any action or actions, if the same would cause the interest payable on the Bonds to be includable in gross income for federal income tax purposes;

(iv) at all times do and perform all acts and things permitted by law and necessary or desirable in order to assure that interest paid by the Issuer on the Bonds will be excluded from the gross income for federal income tax purposes, of the Bondholders pursuant to the Code, except in the event where any such owner of Bonds is a "substantial user" of the facilities financed with the Bonds or a "related person" within the meaning of the Code; and

(v) not take any action or permit or suffer any action to be taken if the result of the same would be to cause the Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code and the Regulations.

In furtherance of the covenants in this Section 5.07, the Issuer and the Borrower shall execute, deliver and comply with the provisions of the Tax Certificate, which is by this reference incorporated into this Indenture and made a part of this Indenture as if set forth in this Indenture in full, and by its acceptance of this Indenture the Trustee acknowledges receipt of the Tax Certificate and acknowledges its incorporation into this Indenture by this reference and agrees to comply with the terms specifically applicable to it. In the event of a conflict between the terms of this Indenture and the Tax Certificate, the terms of the Tax Certificate shall control.

The covenants of the Issuer in this Section 5.07(a) are made in reliance on the representations and covenants of the Borrower set forth in the Financing Agreement, the Tax Certificate and the Land Use Restriction Agreement and, for the purposes of this Section 5.07(a), no acts, omissions or directions of the Borrower, the Trustee or any other Persons shall be attributed to the Issuer nor shall any default by the Borrower of any of its obligations under the Financing Agreement or the Tax Certificate constitute an event of default by the Issuer hereunder.

(b) *Trustee's Covenants*. The Trustee agrees that it will invest funds held under this Indenture in accordance with the covenants and terms of this Indenture and the Tax Certificate (this covenant shall extend through the term of the Bonds, to all funds and accounts created under this Indenture and all money on deposit to the credit of any such fund or account). The Trustee covenants to and for the benefit of the Bondholders that, notwithstanding any other provisions of this Indenture or of any other Bond Financing Document, it will not knowingly make or cause to be made any investment or other use of the money in the funds or accounts created hereunder which would cause the Bonds to be classified as "arbitrage bonds" within the meaning of Sections 103(b) and 148 of the Code or would cause the interest on the Bonds to be includable in gross income for federal income tax purposes; provided that the Trustee shall be deemed to have complied with such requirements and shall have no liability to the extent it reasonably follows the written directions of the Borrower, the Issuer, the Bondholder Representative, Bond Counsel or the Rebate Analyst. This covenant shall extend, throughout the term of the Bonds, to all funds created under this Indenture and all money on deposit to the credit of any such fund. Pursuant to this covenant, with respect to the investments of the funds and accounts under this Indenture, the Trustee obligates itself to comply throughout the term of the issue of the Bonds with the requirements of Sections 103(b) and 148 of the Code; provided that the Trustee shall be deemed to have complied with such requirements and shall have no liability to the extent it reasonably follows the written directions of the Borrower, the Issuer, Bond Counsel or the Rebate Analyst. The Trustee further covenants that should the Issuer or the Borrower file with the Trustee (it being understood that neither the Issuer nor the Borrower has an obligation to so file), or should the Trustee receive, an opinion of Bond Counsel to the effect that any proposed investment or other use of proceeds of the Bonds would cause the Bonds to

become "arbitrage bonds," then the Trustee will comply with any written instructions of the Issuer, the Borrower, the Bondholder Representative or Bond Counsel regarding such investment (which shall, in any event, be a Qualified Investment) or use so as to prevent the Bonds from becoming "arbitrage bonds," and the Trustee will bear no liability to the Issuer, the Borrower, the Bondholders or the Bondholder Representative for investments made in accordance with such instructions.

Section 5.08 ***Representations and Warranties of the Issuer.*** The Issuer hereby represents and warrants as follows:

(a) The Issuer is a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois.

(b) The Issuer has all necessary power and authority to issue the Bonds and to execute and deliver this Indenture, the Financing Agreement and the other Bond Financing Documents to which it is a party, and to perform its duties and discharge its obligations hereunder and thereunder.

(c) The Bond Financing Documents to which the Issuer is a party have been validly authorized, executed and delivered by the Issuer, and assuming due authorization, execution and delivery by the other parties thereto, constitute valid and binding obligations of the Issuer, enforceable against the Issuer in accordance with their respective terms, except as enforceability may be limited by bankruptcy, insolvency, moratorium or other laws affecting creditors' rights generally and the application of equitable principles.

ARTICLE VI
DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND BONDHOLDERS

Section 6.01 ***Events of Default.*** Each of the following shall be an event of default with respect to the Bonds (an "Event of Default") under this Indenture:

(a) failure to pay the principal of, premium, if any, or interest on any Bond when due, whether on an Interest Payment Date, at the stated maturity thereof, by proceedings for redemption thereof, by acceleration or otherwise; or

(b) failure to observe the covenants set forth in Section 5.05 hereof; or

(c) failure to observe or perform any of the covenants, agreements or conditions on the part of the Issuer (other than those set forth in 6.01(a) and (b) above) set forth in this Indenture or in the Bonds and the continuance thereof for a period of thirty (30) days (or such longer period, if any, as is specified herein for particular defaults) after written notice thereof to the Issuer from the Trustee or the Bondholder Representative specifying such default and requiring the same to be remedied; provided that if such default cannot be cured within such thirty (30) day period through the exercise of diligence and the Issuer commences the required cure within such thirty (30) day period and continues the cure with diligence and the Issuer reasonably anticipates that the default could be cured within sixty (60) days, the Issuer shall have sixty (60) days following receipt of such notice to effect the cure; or

(d) receipt by the Trustee of written notice from the Bondholder Representative of the occurrence of an "Event of Default" under the Financing Agreement, the Continuing Covenant Agreement or the Construction Funding Agreement.

The Trustee will promptly notify the Issuer, the Servicer and the Bondholder Representative after a Responsible Officer obtains actual knowledge of the occurrence of an Event of Default or obtains actual knowledge of the occurrence of an event which would become an Event of Default with the passage of time or the giving of notice or both.

Notwithstanding anything herein to the contrary, the Limited Partner or its designee(s) shall have the right, but not the obligation, to cure an Event of Default hereunder within the applicable cure period. The tender of a cure by the Limited Partner or its designee(s) shall be accepted as if tendered by the Borrower.

Section 6.02 ***Acceleration; Other Remedies Upon Event of Default***

Upon the occurrence of an Event of Default, the Trustee shall, upon the written request of the Bondholder Representative, by notice in writing delivered to the Issuer, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and interest shall continue to accrue thereon until such amounts are paid.

At any time after the Bonds shall have been so declared due and payable, and before any judgment or decree for the payment of the money due shall have been obtained or entered, the Trustee may, but only if directed in writing by the Bondholder Representative, by written notice to the Issuer and the Trustee, rescind and annul such declaration and its consequences if the Issuer or the Borrower shall pay to or deposit with the Trustee a sum sufficient to pay all principal of the Bonds then due (other than solely by reason of such declaration) and all unpaid installments of interest (if any) upon all the Bonds then due, with interest at the rate borne by the Bonds on such overdue principal and (to the extent legally enforceable) on such overdue installments of interest, and the reasonable fees and expenses of the Trustee (including its counsel) shall have been made good or cured or adequate provision shall have been made therefor, and all outstanding amounts then due and unpaid under the Bond Financing Documents (collectively, the "**Cure Amount**") shall have been paid in full, and all other defaults hereunder shall have been made good or cured or waived in writing by the Bondholder Representative; but no such rescission and annulment shall extend to or shall affect any subsequent default, nor shall it impair or exhaust any right or power consequent thereon.

Upon the occurrence and during the continuance of an Event of Default, the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of all Bonds with respect to which such an Event of Default has occurred, may also proceed to protect and enforce any rights of the Trustee and, to the full extent that the Holders of such Bonds themselves might do, the rights of such Bondholders under the laws of the State or under this Indenture by such of the following remedies as the Trustee shall deem most effectual to protect and enforce such rights; provided that, the Trustee may undertake any such remedy only upon the receipt of the prior written consent of the Bondholder Representative (which consent may be given in the sole discretion of the Bondholder Representative):

(i) by mandamus or other suit, action or proceeding at law or in equity, to enforce the payment of the principal of, premium, if any, or interest on the Bonds then Outstanding and to require the Issuer to carry out any covenants or agreements with or

for the benefit of the Bondholders and to perform its duties under the Act, this Indenture, the Financing Agreement or the Regulatory Agreement (as applicable) to the extent permitted under the applicable provisions thereof;

(ii) by pursuing any available remedies under the Financing Agreement, the Regulatory Agreement or any other Bond Financing Document;

(iii) by realizing or causing to be realized through sale or otherwise upon the security pledged hereunder; and

(iv) by action or suit in equity enjoin any acts or things that may be unlawful or in violation of the rights of the Holders of the Bonds and execute any other papers and documents and do and perform any and all such acts and things as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Bondholders against the Issuer allowed in any bankruptcy or other proceeding.

No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or to the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or the Bondholders hereunder or under the Financing Agreement, the Regulatory Agreement, the Continuing Covenant Agreement or any other Bond Financing Document, as applicable, or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. No waiver of any Event of Default hereunder, whether by the Trustee or the Bondholders, shall extend to or shall affect any subsequent default or event of default or shall impair any rights or remedies consequent thereto.

Section 6.03 ***Bondholder Representative to Control Proceedings***. If an Event of Default has occurred and is continuing, notwithstanding anything to the contrary herein, the Bondholder Representative shall have the right at any time, subject to the provisions of Section 6.08 hereof, by an instrument in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver or any other proceedings hereunder, in accordance with the provisions of law and of this Indenture. In addition, the Bondholder Representative shall have the right to directly enforce all rights and remedies hereunder and under the other Bond Financing Documents with or without the involvement of the Trustee or the Issuer (and in connection therewith the Trustee shall transfer or assign to the Bondholder Representative all of its interest in the Trust Estate at the request thereof).

Section 6.04 ***Waiver by Issuer.*** Upon the occurrence of an Event of Default, to the extent that such right may then lawfully be waived, neither the Issuer nor anyone claiming through or under it shall set up, claim or seek to take advantage of any appraisal, valuation, stay, extension or redemption laws now or hereinafter in force, in order to prevent or hinder the enforcement of this Indenture; and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws and all right of appraisement and redemption to which it may be entitled under the laws of the State and the United States of America.

Section 6.05 ***Application of Money After Default.*** All money collected by the Trustee at any time pursuant to this Article shall, except to the extent, if any, otherwise directed by a court of competent jurisdiction, be credited by the Trustee to the Revenue Fund. Such money so credited to the Revenue Fund and all other money from time to time credited to the Revenue Fund shall at all times be held, transferred, withdrawn and applied as prescribed by the provisions of Article IV hereof and this Section 6.05.

In the event that at any time the money credited to the Revenue Fund, the Bond Fund and the Redemption Fund available for the payment of interest or principal then due with respect to the Bonds shall be insufficient for such payment, such money (other than money held for the payment or redemption of particular Bonds as provided in Section 4.09 hereof) shall be applied as follows and in the following order of priority:

(a) For payment of all amounts due to the Trustee incurred in performance of its duties under this Indenture, including, without limitation, the payment of all reasonable fees and expenses of the Trustee incurred in exercising any remedies under this Indenture.

(b) To the extent directed in writing by the Bondholder Representative, to the reimbursement of any unreimbursed advances made by the Bondholder Representative pursuant to the Continuing Covenant Agreement or the Bond Mortgage.

(c) Unless the principal of all Bonds shall have become or have been declared due and payable:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available is not sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference; and

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of and premium, if any, on any Bonds which shall have become due, whether at maturity or by call for redemption, in the order in which they became due and payable, and, if the amount available is not sufficient to pay in full all the principal of and premium, if any, on the Bonds so due on any date, then to the payment of principal ratably, according to the amounts due on such date, to the Persons entitled thereto, without any discrimination or preference, and then to the payment of any premium due on the Bonds, ratably, according to the amounts due on such date, to the Persons entitled thereto, without any discrimination or preference.

(d) If the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal of, premium, if any, and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due, respectively, for principal, premium and interest, to the Persons entitled thereto without any discrimination or preference except as to any differences in the respective rates of interest specified in the Bonds.

Section 6.06 ***Remedies Not Exclusive.*** No right or remedy conferred upon or reserved to the Trustee or the Bondholder Representative by the terms of this Indenture is intended to be exclusive of any other right or remedy, but each and every such remedy shall be cumulative and shall be in addition to every other right or remedy given to the Trustee or the Bondholder Representative under this Indenture or existing at law or in equity or by statute (including the Act).

Section 6.07 ***Trustee May Enforce Rights Without Bonds.*** All rights of action and claims, including the right to file proof of claims, under this Indenture or under any of the Bonds may be prosecuted and enforced by the Trustee at the written direction of the Bondholder Representative without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto. Subject to the rights of the Bondholder Representative to direct proceedings hereunder, any such suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Bonds, and any recovery or judgment shall be for the mutual benefit as provided herein of all of the Holders of the Outstanding Bonds.

Section 6.08 ***[Reserved]***

Section 6.09 ***Termination of Proceedings.*** In case the Trustee (at the direction of the Bondholder Representative) or the Bondholder Representative shall have proceeded to enforce any right under this Indenture by the appointment of a receiver, by entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Trustee, the Bondholder Representative, the Borrower and the Bondholders shall be restored to their former positions and rights hereunder with respect to the Trust Estate herein conveyed, and all rights, remedies and powers of the Trustee and the Bondholder Representative shall continue as if no such proceedings had been taken.

Section 6.10 ***Waivers of Events of Default.*** The Trustee shall waive any Event of Default hereunder and its consequences and rescind any declaration of maturity of principal of and interest on the Bonds upon the written direction of the Bondholder Representative. In case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Borrower, the Servicer, the Bondholder Representative and the Bondholders shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereto.

Section 6.11 ***Interest on Unpaid Amounts and Default Rate for Nonpayment.*** In the event that principal of or interest payable on the Bonds is not paid when due, there shall be payable on the amount not timely paid, on each Interest Payment Date, interest at the Default Rate, to the extent permitted by law. Interest on the Bonds shall accrue at the Default Rate until the unpaid amount, together with interest thereon, shall have been paid in full.

Section 6.12 ***Assignment of Project Loan; Remedies Under the Project Loan.*** (a) The Bondholder Representative shall have the right, with respect to the Bond Mortgage Loan, in its sole and absolute discretion, without directing the Trustee to effect an acceleration of the Bonds, to instruct the Trustee in writing to assign the Bond Mortgage Note, the Bond Mortgage and the other Bond Mortgage Loan Documents to the Bondholder Representative, in which event the

Trustee shall (a) endorse and deliver the Bond Mortgage Note to the Bondholder Representative and assign (in recordable form) the Bond Mortgage, (b) execute and deliver to the Bondholder Representative all documents prepared by the Bondholder Representative necessary to assign (in recordable form if necessary) all other Bond Mortgage Loan Documents to the Bondholder Representative and (c) execute all such documents prepared by the Bondholder Representative as are necessary to legally and validly effectuate the assignments provided for in the preceding clauses (a) and (b). The Trustee's assignments to the Bondholder Representative pursuant to this Section 6.12 shall be without recourse or warranty except that the Trustee shall represent and warrant in connection therewith (A) that the Trustee has not previously endorsed or assigned any such documents or instruments and (B) that the Trustee has the corporate authority to endorse and assign such documents and instruments and such endorsements and assignments have been duly authorized.

(b) The Bondholder Representative shall have the right, in its own name or on behalf of the Issuer or the Trustee, to declare any default and exercise any remedies under the Financing Agreement, the Bond Mortgage Note or the Bond Mortgage, whether or not the Bonds have been accelerated or declared due and payable by reason of an Event of Default or the occurrence of a mandatory prepayment.

Section 6.13 ***Substitution***. Upon receipt of written notice from the Bondholder Representative and the approval of the Issuer as and to the extent permitted under the Regulatory Agreement, the Trustee shall exchange the Bond Mortgage Note and the Bond Mortgage for a new Bond Mortgage Note and Bond Mortgage, evidencing and securing a new loan (the "New Bond Mortgage Loan"), which may be executed by a person other than the Borrower (the "New Borrower"), provided that if the Trustee, the Bondholder Representative or a nominee of the Trustee or the Bondholder Representative has acquired the Project through foreclosure, by accepting a deed in lieu of foreclosure or by comparable conversion of the Project, no approval from the Issuer of such exchange shall be required. Prior to accepting a New Bond Mortgage Loan, the Trustee shall have received (i) written evidence that the New Borrower shall have executed and recorded a document substantially in the form of the Regulatory Agreement (or executed and recorded an assumption of all of the Borrower's obligations under the Regulatory Agreement) and that the Bond Mortgage Loan Documents have been modified as necessary to be applicable to the New Bond Mortgage Loan, and (ii) an opinion of Bond Counsel, to the effect that such exchange and modification, in and of itself, shall not affect the exclusion, from gross income, for federal income tax purposes of the interest payable on the Bonds.

ARTICLE VII
CONCERNING THE TRUSTEE

Section 7.01 ***Standard of Care.*** The Trustee, prior to an Event of Default as defined in Section 6.01 hereof and after the curing or waiver of all such events which may have occurred, shall perform such duties and only such duties as are specifically and expressly set forth in this Indenture. These duties shall be deemed purely ministerial in nature, and the Trustee shall not be liable except for the performance of such duties, and no implied covenants or obligations shall be read into this Indenture against the Trustee. The Trustee, during the existence of any such Event of Default (which shall not have been cured or waived), shall exercise such rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent Person would exercise or use under similar circumstances in the conduct of such Person's own affairs. The permissive rights of the Trustee to do things enumerated in this Agreement shall not

be construed as a duty and, with respect to such permissive rights, the Trustee shall not be answerable for other than its negligence or willful misconduct.

No provision of this Indenture shall be construed to relieve the Trustee from liability for its breach of trust, own negligence or willful misconduct, except that:

(a) prior to an Event of Default hereunder, and after the curing or waiver of all such Events of Default which may have occurred:

(i) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Indenture, and the Trustee shall not be liable except with regard to the performance of such duties and obligations as are specifically and expressly set forth in this Indenture; and

(ii) the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to the Trustee by the Person or Persons authorized to furnish the same;

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(i) the Trustee shall not be liable for any action taken or error of judgment made in good faith by its officers, employees or agents unless it shall have been negligent in ascertaining the pertinent facts; and

(ii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Bondholder Representative relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

Section 7.02 ***Reliance Upon Documents.*** Except as otherwise provided in Section 7.01 hereof:

(a) the Trustee may request, conclusively rely and be protected in acting or refraining from acting upon the authenticity or truth of the statements and the correctness of the opinions expressed in, and shall be protected in acting upon any resolution, certificate, statement, instrument, opinion, report, notice, notarial seal, stamp, acknowledgment, verification, request, consent, order, judgment, decree, bond, or other paper or document of the proper party or parties, including any facsimile transmission or Electronic Notice as permitted hereunder or under the Financing Agreement, not only as to due execution, validity and effectiveness, but also as to the truth and accuracy of any information contained therein;

(b) any notice, request, direction, election, order or demand of the Issuer mentioned herein shall be sufficiently evidenced by an instrument signed in the name of the Issuer by an Authorized Officer of the Issuer (unless other evidence in respect thereof be herein specifically prescribed), and any resolution of the Issuer may be evidenced to the Trustee by a copy of such resolution duly certified by an Authorized Officer of the Issuer;

(c) any notice, request, certificate, statement, requisition, direction, election, order or demand of the Borrower mentioned herein shall be sufficiently evidenced by an instrument purporting to be signed in the name of the Borrower by any Authorized Officer of the Borrower (unless other evidence in respect thereof be herein specifically prescribed), and any resolution or certification of the Borrower may be evidenced to the Trustee by a copy of such resolution duly certified by a secretary or other authorized representative of the Borrower;

(d) any notice, request, certificate, statement, requisition, direction, election, order or demand of the Servicer mentioned herein shall be sufficiently evidenced by an instrument signed in the name of the Servicer by an Authorized Officer of the Servicer (unless other evidence in respect thereof be herein specifically prescribed);

(e) any notice, request, direction, election, order or demand of the Bondholder Representative mentioned herein shall be sufficiently evidenced by an instrument purporting to be signed in the name of the Bondholder Representative by any Authorized Officer of the Bondholder Representative (unless other evidence in respect thereof be herein specifically prescribed);

(f) neither the Trustee nor any of its directors, officers, employees, agents or affiliates shall be responsible for nor have any duty to monitor the performance or any action of the Issuer, Borrower, Bondholder Representative, Servicer, or any of their directors, members, officers, agents, affiliates or employee, nor shall it have any liability in connection with the malfeasance or nonfeasance by such party. The Trustee may assume performance by all such Persons of their respective obligations. The Trustee shall have no enforcement or notification obligations relating to breaches of representations or warranties of any other Person;

(g) [Intentionally Omitted];

(h) in the administration of the trusts of this Indenture, the Trustee may execute any of the trusts or powers hereby granted directly or through its agents, receivers or attorneys, and the Trustee may consult with counsel (who may be counsel for the Issuer, the Servicer or the Bondholder Representative) or other professionals, and the opinion or advice of such counsel or other professionals shall be full and complete authorization and protection in respect of any action taken, omitted to be taken, or permitted by it hereunder in accordance with the opinion of such counsel or other professionals;

(i) whenever in the administration of the trusts of this Indenture, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or permitting any action hereunder, such matters (unless other evidence in respect thereof be herein specifically prescribed), may be deemed to be conclusively proved and established by an opinion of counsel and/or certificate of an officer or authorized agent of the Issuer or the Borrower and such opinion or certificate shall be full warrant to the Trustee for any action taken or permitted by it under the provisions of this Indenture, but in its discretion the Trustee may in lieu thereof accept other evidence of such matter or may require such further or additional evidence as it may deem reasonable;

(j) the recitals herein and in the Bonds (except the Trustee's certificate of authentication thereon) shall be taken as the statements of the Issuer and the Borrower and shall not be considered as made by or imposing any obligation or liability upon the Trustee. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the title of the Issuer or the Borrower to the Trust Estate, or as to the security of this Indenture, or of the Bonds issued hereunder, and the Trustee shall incur no liability or responsibility in respect of any of such matters;

(k) the Trustee shall not be personally liable for debts contracted or liability for damages incurred in the management or operation of the Trust Estate except for its own willful misconduct or negligence; and every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section 7.02(k);

(l) the Trustee shall not be required to ascertain or inquire as to the performance or observance of any of the covenants or agreements (except to the extent they obligate the Trustee) herein or in any contracts or securities assigned or conveyed to or pledged with the Trustee hereunder, except Events of Default that are evident under Section 6.01(a) or 6.01(b) hereof. The Trustee shall not be required to take notice or be deemed to have notice or actual knowledge of any default or Event of Default specified in Section 6.01 hereof (except defaults under Section 6.01(a) or 6.01(b) hereof) unless a Responsible Officer of the Trustee shall receive from the Issuer or the Bondholder Representative and have actual knowledge of a written notice stating that a default or Event of Default has occurred and specifying the same, and in the absence of such notice the Trustee may conclusively assume that there is no such default. Every provision contained in this Indenture or related instruments or in any such contract or security wherein the duty of the Trustee depends on the occurrence and continuance of such default shall be subject to the provisions of this Section 7.02(l);

(m) the Trustee shall be under no duty to confirm or verify any financial or other statements or reports or certificates furnished pursuant to any provisions hereof, except to the extent such statement or reports are furnished by or under the direction of the Trustee, and shall be under no other duty in respect of the same except to retain the same in its files and permit the inspection of the same at reasonable times by the Holder of any Bond;

(n) the Trustee shall be under no obligation to exercise those rights or powers vested in it by this Indenture, other than such rights and powers which it shall be obliged to exercise in the ordinary course of its trusteeship under the terms and provisions of this Indenture and as required by law, at the request or direction of the Bondholder Representative pursuant to Sections 6.03 and 6.08 hereof, unless the Bondholder Representative shall have furnished to the Trustee security or indemnity (satisfactory to the Trustee in its sole and absolute discretion) against the costs, expenses and liabilities which might be incurred by it in the compliance with such request or direction, including, without limitation, counsel fees, costs and expenses;

(o) in no event shall the Trustee be responsible or liable for special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action; and

(p) the Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its control, including without limitation, any act or provision of any present or future law or regulation or governmental authority; acts of God; earthquakes; fires; floods; wars; terrorism; civil or military disturbances; sabotage; epidemics; pandemics; quarantine restrictions; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications service; accidents; labor disputes; acts of civil or military authority or governmental actions; or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility.

None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

The Trustee is authorized and directed to execute in its capacity as Trustee the Financing Agreement and the Regulatory Agreement and shall have no responsibility or liability with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the issuance of the Bonds.

The Trustee or any of its affiliates may act as advisor or sponsor with respect to any Qualified Investments.

The Trustee agrees to accept and act upon facsimile transmission or Electronic Notice of written instructions and/or directions pursuant to this Indenture.

The Trustee agrees to accept and act upon facsimile transmission or Electronic Notice of written instructions and/or directions pursuant to this Indenture provided, however, that: (a) subsequent to such facsimile transmission or Electronic Notice of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions, (b) such originally executed instructions and/or directions shall be signed by such Person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received a current incumbency certificate containing the specimen signature of such designated Person. The Trustee shall be entitled to request and receive written instructions from the Issuer, Borrower and/or Bondholder Representative, and shall have no responsibility or liability for any losses or damages of any nature that may arise from any action taken or not taken by the Trustee in accordance with the written direction of any such party.

Any resolution, certification, notice, request, direction, election, order or demand delivered to the Trustee pursuant to this Section 7.02 shall remain in effect until the Trustee receives written notice to the contrary from the party that delivered such instrument accompanied by revised information for such party.

The Trustee shall have no responsibility for the value of any collateral or with respect to the perfection or priority of any security interest in any collateral except as otherwise provided in Section 7.17 hereof.

The Trustee shall not be required to determine whether any owner of any Bond constitutes an "accredited investor," "qualified Institutional buyer," or "Qualified Transferee" hereunder or under any of the Financing Documents.

All references in this Article VII to the term "Indenture" shall be deemed to include all of the "Financing Documents." All of the provisions of this Indenture related to the duties, obligations, standard of care, protections and immunities from liability afforded the Trustee under this Indenture shall apply to the Trustee in the performance of its duties and obligations under any of the Financing Documents.

Section 7.03 ***Use of Proceeds.*** The Trustee shall not be accountable for the use or application of any of the Bonds authenticated or delivered hereunder or of the proceeds of the Bonds except as provided herein.

Section 7.04 ***Trustee May Hold Bonds.*** The Trustee and its officers and directors may acquire and hold, or become pledgees of Bonds and otherwise may deal with the Issuer and the Borrower in the same manner and to the same extent and with like effect as though it were not Trustee hereunder.

Section 7.05 ***Trust Imposed.*** All money received by the Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which it was received.

Section 7.06 ***Compensation of Trustee.*** The Trustee shall be entitled to its Ordinary Trustee's Fees and Expenses in connection with the services rendered by it in the execution of the trusts hereby created and in the exercise and performance of any of the powers and duties of the Trustee hereunder or under any Bond Financing Document to the extent money is available therefor, in accordance with Section 4.06 hereof, exclusive of Extraordinary Services. The Trustee shall be entitled to Extraordinary Trustee's Fees and Expenses in connection with any Extraordinary Services performed consistent with the duties hereunder or under any of the Bond Financing Documents; provided the Trustee shall not incur any Extraordinary Trustee's Fees and Expenses without the consent of the Bondholder Representative. If any property, other than cash, shall at any time be held by the Trustee subject to this Indenture, or any supplemental indenture, as security for the Bonds, the Trustee, if and to the extent authorized by a receivership, bankruptcy, or other court of competent jurisdiction or by the instrument subjecting such property to the provisions of this Indenture as such security for the Bonds, shall be entitled to make advances for the purpose of preserving such property or of discharging tax liens or other liens or encumbrances thereon. Payment to the Trustee for its services and reimbursement to the Trustee for its expenses, disbursements, liabilities and advances, shall be limited to the sources described in the Financing Agreement and in Sections 4.06, 4.11 and 6.05 hereof. The Issuer shall have no liability for Trustee's fees, costs or expenses. Subject to the provisions of Section 7.09 hereof, the Trustee agrees that it shall continue to perform its duties hereunder (including, but not limited to, its duties as Paying Agent and Bond Registrar) and under the Bond Financing Documents even in the event that money designated for payment of its fees shall be insufficient for such purposes or in the event that the Borrower fails to pay the Ordinary Trustee's Fees and Expenses or, if applicable, the Extraordinary Trustee's Fees and Expenses as required by the Financing Agreement.

The Borrower shall indemnify and hold harmless the Trustee and its officers, directors, officials, employees, agents, receivers, attorneys, accountants, advisors, consultants and servants, past, present or future, from and against (a) any and all claims by or on behalf of any person arising from any cause whatsoever in connection with this Indenture or transactions contemplated hereby, the Project, or the issuance, offering or sale of the Bonds; (b) any and all claims arising from any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Project, or the issuance, offering or sale

of the Bonds; and (c) all costs, counsel fees, expenses or liabilities incurred in connection with any such claim or proceeding brought thereon; except that the Borrower shall not be required to indemnify any person for damages caused by the gross negligence, willful misconduct or unlawful acts of such person or which arise from events occurring after the Borrower ceases to own the Project. In the event that any action or proceeding is brought or claim made against the Trustee, or any of its officers, directors, officials, employees, agents, receivers, attorneys, accountants, advisors, consultants or servants, with respect to which indemnity may be sought hereunder, the Borrower, upon written notice thereof from the indemnified party, shall assume the investigation and defense thereof, including the employment of counsel and the payment of all expenses. The indemnified party shall have the right to approve a settlement to which it is a party and to employ separate counsel in any such action or proceedings and to participate in the investigation and defense thereof, and the Borrower shall pay the reasonable fees and expenses of such separate counsel. The provisions of this Section 7.06 shall survive the termination of this Indenture.

Section 7.07 ***Qualifications of Trustee.*** There shall at all times be a Trustee hereunder which shall be an association or a corporation organized and doing business under the laws of the United States of America or any state thereof, authorized under such laws to exercise corporate trust powers. Any successor Trustee shall have a combined capital and surplus of at least $50,000,000 (or shall be a wholly-owned subsidiary of an association or corporation that has such combined capital and surplus), and be subject to supervision or examination by federal or state authority, or shall have been appointed by a court of competent jurisdiction pursuant to Section 7.09 hereof. If such association or corporation publishes reports of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority referred to above, then for the purposes of this Section 7.07, the combined capital and surplus of such association or corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 7.07 and another association or corporation is eligible, the Trustee shall resign immediately in the manner and with the effect specified in Section 7.09 hereof.

Section 7.08 ***Merger of Trustee.*** Any association or corporation into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any association or corporation resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party shall, ipso facto, be and become successor Trustee hereunder and vested with all the title to the whole property or Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instruments or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding, and shall also be and become successor Trustee in respect of the beneficial interest of the Trustee in the Bond Mortgage Loan.

Section 7.09 ***Resignation by the Trustee.*** The Trustee may at any time resign from the trusts hereby created and be discharged from its duties and obligations hereunder by giving written notice to the Issuer, the Borrower, the Servicer and the Bondholder Representative, and by giving Electronic Notice (which may be through the Depository Trust Company) to each Holder of the Bonds then Outstanding. Such notice to the Issuer, the Borrower, the Servicer and the Bondholder Representative may be served personally or sent by certified mail or overnight delivery service. The resignation of the Trustee shall not be effective until a successor Trustee

has been appointed as provided herein and such successor Trustee shall have agreed in writing to be bound by the duties and obligations of the Trustee hereunder.

Section 7.10 ***Removal of the Trustee.*** The Trustee may be removed at any time, either with or without cause, with the consent of the Bondholder Representative (which consent of the Bondholder Representative shall not be unreasonably withheld and which approval shall be deemed given after fifteen (15) calendar days if the Bondholder Representative has not responded to a written request for such approval), by a written instrument signed by the Issuer and delivered to the Trustee, the Servicer and the Borrower. The Trustee may also be removed by a written instrument or concurrent instruments signed by the Bondholder Representative and delivered to the Trustee, the Servicer, the Issuer and the Borrower. In each case written notice of such removal shall be given to the Servicer, the Borrower and to each registered Owner of Bonds then Outstanding as shown on the Bond Registrar. Any such removal shall take effect on the day specified in such written instrument(s), but the Trustee shall not be discharged from the trusts hereby created until a successor Trustee has been appointed and has accepted such appointment and has agreed in writing to be bound by the duties and obligations of the Trustee hereunder.

Section 7.11 ***Appointment of Successor Trustee.***

(a) In case at any time the Trustee shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or shall be adjudged a bankrupt or insolvent, or if a receiver of the Trustee or of its property shall be appointed, or if a public supervisory office shall take charge or control of the Trustee or of its property or affairs, a vacancy shall forthwith and ipso facto be created in the office of such Trustee hereunder, and the Issuer, with the written consent of the Bondholder Representative (which consent shall not be unreasonably withheld and which consent shall be deemed given after fifteen (15) calendar days if the applicable party has not responded to a written request from the Issuer for such consent), shall promptly appoint a successor Trustee. Any such appointment shall be made by a written instrument executed by an Authorized Officer of the Issuer. If the Issuer fails to appoint a successor Trustee within ten (10) days following the resignation or removal of the Trustee pursuant to Section 7.09 or Section 7.10 hereunder, as applicable, the Bondholder Representative may appoint a successor Trustee.

(b) If no appointment of a successor Trustee shall be made pursuant to subsection (a) of this Section 7.11 within thirty (30) calendar days following delivery of all required notices of resignation given pursuant to Section 7.09 hereof or of removal of the Trustee pursuant to Section 7.10 hereof, the retiring Trustee shall be entitled, at its sole discretion (at the sole cost and expense of the Borrower, including with respect to reasonable attorneys' fees and expenses) to apply to any court of competent jurisdiction to appoint a successor Trustee and for other appropriate relief. The court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee and grant such other relief as such court may deem proper.

Section 7.12 ***Concerning Any Successor Trustee.*** Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer a written instrument accepting such appointment hereunder, accepting assignment of the beneficial interest in the Bond Mortgage, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the Trust Estate and the rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, the Borrower or the Bondholder Representative, or of its successor, and

upon payment of all amounts due such predecessor, including but not limited to fees and expenses of counsel, execute and deliver such instruments as may be appropriate to transfer to such successor Trustee all the Trust Estate and the rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and money held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by a successor Trustee for more fully and certainly vesting in such successor the Trust Estate and all rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article, shall be filed and/or recorded by the successor Trustee in each recording office where this Indenture shall have been filed and/or recorded. Each successor Trustee shall mail notice by first class mail, postage prepaid, at least once within 30 days of such appointment, to the Owners of all Bonds Outstanding at their addresses on the Bond Register.

Section 7.13 ***Successor Trustee as Trustee, Paying Agent and Bond Registrar.*** In the event of a change in the office of Trustee, the predecessor Trustee which shall have resigned or shall have been removed shall cease to be trustee and paying agent on the Bonds and Bond Registrar, and the successor Trustee shall become such Trustee, Paying Agent and Bond Registrar.

Section 7.14 ***Appointment of Co-Trustee or Separate Trustee.*** It is the intent of the Issuer and the Trustee that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under or connected with this Indenture, the Financing Agreement or any of the other Bond Financing Documents, and, in particular, in case of the enforcement of any remedies on default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein or therein granted to the Trustee or hold title to the properties in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee, with the consent of the Issuer and the Bondholder Representative, appoint an additional individual or institution as a co-trustee or separate trustee.

In the event that the Trustee appoints an additional individual or institution as a co-trustee or separate trustee, in the event of the incapacity or lack of authority of the Trustee, by reason of any present or future law of any jurisdiction, to exercise any of the rights, powers, trusts and remedies granted to the Trustee herein or to hold title to the Trust Estate or to take any other action that may be necessary or desirable in connection therewith, each and every remedy, power, right, obligation, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Indenture to be imposed upon, exercised by or vested in or conveyed to the Trustee with respect thereto shall be imposed upon, exercisable by and vest in such separate trustee or co-trustee, but only to the extent necessary to enable such co-trustee or separate trustee to exercise such powers, rights, trusts and remedies, and every covenant and obligation necessary to the exercise thereof by such co-trustee or separate trustee shall run to and be enforceable by either of them, subject to the remaining provisions of this Section 7.14. Such co-trustee or separate trustee shall deliver an instrument in writing acknowledging and accepting its appointment hereunder to the Issuer and the Trustee.

Should any instrument in writing from the Issuer be required by the co-trustee or separate trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer, the Trustee and the Borrower. If the Issuer shall fail to deliver the same within thirty (30) days of such request, the Trustee is hereby appointed attorney-in-fact for the Issuer to execute, acknowledge and deliver such instruments in the Issuer's name and stead. In case any co-trustee or separate trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such co-trustee or separate trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such co-trustee or separate trustee.

Every co-trustee or separate trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms, namely:

(a) the Bonds shall be authenticated and delivered, and all rights, powers, trusts, duties and obligations by this Indenture conferred upon the Trustee in respect of the custody, control or management of money, papers, securities and other personal property shall be exercised solely by the Trustee;

(b) all rights, powers, trusts, duties and obligations conferred or imposed upon the Trustee shall be conferred or imposed upon or exercised or performed by the Trustee, or by the Trustee and such co-trustee, or separate trustee jointly, as shall be provided in the instrument appointing such co-trustee or separate trustee, except to the extent that under the law of any jurisdiction in which any particular act or acts are to be performed the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such act or acts shall be performed by such co-trustee or separate trustee;

(c) any request in writing by the Trustee to any co-trustee or separate trustee to take or to refrain from taking any action hereunder shall be sufficient warrant for the taking or the refraining from taking of such action by such co-trustee or separate trustee;

(d) any co-trustee or separate trustee to the extent permitted by law shall delegate to the Trustee the exercise of any right, power, trust, duty or obligation, discretionary or otherwise;

(e) the Trustee at any time by an instrument in writing with the concurrence of the Issuer evidenced by a certified resolution may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section 7.14 and in case an Event of Default shall have occurred and be continuing, the Trustee shall have power to accept the resignation of or remove any such co-trustee or separate trustee without the concurrence of the Issuer, and upon the request of the Trustee, the Issuer shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section 7.14;

(f) no Trustee or co-trustee hereunder shall be personally liable by reason of any act or omission of any other Trustee hereunder;

(g) any demand, request, direction, appointment, removal, notice, consent, waiver or other action in writing executed by the Bondholder Representative and delivered to the Trustee shall be deemed to have been delivered to each such co-trustee or separate trustee; and

(h) any money, papers, securities or other items of personal property received by any such co-trustee or separate trustee hereunder shall forthwith, so far as may be permitted by law, be turned over to the Trustee.

The total compensation of the Trustee and any co-trustee or separate trustee shall be as, and may not exceed the amount, provided in Section 7.06 hereof.

Section 7.15 ***Notice of Certain Events.*** The Trustee shall give written notice to the Issuer, the Servicer and the Bondholder Representative of any failure by the Borrower to comply with the terms of the Regulatory Agreement or any Determination of Taxability of which a Responsible Officer has actual knowledge.

Section 7.16 ***[Reserved]***

Section 7.17 ***Filing of Financing Statements***. The Trustee may, in its discretion and solely upon the written direction and at the expense of the Borrower, file or record or cause to be filed or recorded all continuation statements for financing statements that have been delivered to the Trustee on which the Trustee is named as a secured party or additional secured party for the purpose of continuing without lapse the effectiveness of those financing statements which have been filed on or approximately on the Delivery Date in connection with the security for the Bonds pursuant to the authority of the Uniform Commercial Code. Upon the filing of any such continuation statement the Trustee shall immediately notify the Issuer, the Borrower, the Bondholder Representative and the Servicer that the same has been done. If written direction is given by the Servicer or the Bondholder Representative, the Trustee shall, at the expense of the Borrower, file all continuation statements in accordance with such directions.

Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required by any amendments to Article 9 of the Uniform Commercial Code and unless a Responsible Officer of the Trustee shall have received written notice from the Bondholder Representative or the Servicer that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in relying on such initial filing and descriptions in filing any continuation statements or modifications thereto pursuant to this Section 7.17 and in filing any continuation statements in the same filing offices as the initial filings were made. The Issuer shall have no responsibility for the filing of any financing statements or continuation statements or the information contained therein (including the exhibits thereto).

Section 7.18 ***USA Patriot Act Requirements of the Trustee***. To help the government of the United States of America fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual Person such as a business entity, a charity, a Trust, or other legal entity, the Trustee may request documentation to verify such Person's formation and existence as a legal entity. The Trustee may also request financial

statements, licenses, identification and authorization documents from individuals claiming authority to represent such Person or other relevant documentation.

ARTICLE VIII
AMENDMENTS OF CERTAIN DOCUMENTS

Section 8.01 ***Amendments to the Indenture.*** Any of the terms of this Indenture and the Bonds may be amended or waived only by an instrument signed by the Trustee and the Issuer, and with the prior written consent of the Bondholder Representative.

Section 8.02 ***Amendments to other Bond Financing Documents Require Consent of Bondholder Representative.*** Neither the Issuer nor the Trustee shall consent to any amendment, change or modification of any other Bond Financing Document without the prior written consent of the Bondholder Representative. The Trustee shall enter into such amendments to the Bond Financing Documents as shall be directed by the Bondholder Representative.

Section 8.03 ***Opinion of Bond Counsel Required***. No amendment to this Indenture, the Bonds, the Financing Agreement, the Bond Mortgage Note, the Bond Mortgage or the Land Use Restriction Agreement shall become effective unless and until (i) the Bondholder Representative shall have consented to the same in writing in its sole discretion and (ii) the Bondholder Representative, the Issuer and the Trustee shall have received, at the expense of the Borrower, (A) an opinion of Bond Counsel to the effect that such amendment, change or modification will not, in and of itself, cause interest on the Bonds to be includable in gross income of the holders thereof for federal income tax purposes, and (B) an opinion of counsel acceptable to the Bondholder Representative to the effect that any such proposed such amendment, change or modification is authorized and complies with the provisions of this Indenture and is a legal, valid and binding obligation of the parties thereto, subject to normal exceptions relating to bankruptcy, insolvency and equitable principles limitations.

ARTICLE IX
SATISFACTION AND DISCHARGE OF INDENTURE

Section 9.01 ***Discharge of Lien.*** If the Issuer shall pay or cause to be paid to the Holders of the Bonds the principal, interest and premium, if any, to become due thereon at the times and in the manner stipulated therein and herein, in any one or more of the following ways:

(a) by the payment of the principal of (including redemption premium, if any) and interest on all Bonds Outstanding; or

(b) by the deposit to the account of the Trustee, in trust, of money or securities in the necessary amount to pay the principal, redemption price and interest to the date established for redemption whether by redemption or otherwise; or

(c) by the delivery to the Trustee, for cancellation by it, of all Bonds Outstanding;

and shall have paid all amounts due and owing under the other Bond Financing Documents, and shall have paid all fees and expenses of and any other amounts due to the Trustee, the Servicer, the Rebate Analyst and the Paying Agent, and if the Issuer shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be

kept, performed and observed by it or on its part, then these presents and the estates and rights hereby granted shall cease, determine and be void, and thereupon the Trustee (or, if requested in writing by the Bondholder, the Servicer) shall cancel and discharge the lien of this Indenture and execute and deliver to the Issuer such instruments in writing as shall be requisite to satisfy the lien hereof, and reconvey to the Issuer the estate hereby conveyed, and assign and deliver to the Issuer any interest in property at the time subject to the lien of this Indenture which may then be in its possession, except amounts held by the Trustee for the payment of principal of, interest and premium, if any, on the Bonds, the payment of any amounts owed to the United States of America pursuant to Section 4.12 hereof.

Any Outstanding Bond shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in the first paragraph of this Section 9.01 based on a deposit of moneys or securities with the Trustee pursuant to Section 9.01(b) if, under circumstances which do not cause interest on the Bonds to become includable in the Holders' gross income for purposes of federal income taxation, the following conditions shall have been fulfilled: (a) in case such Bond is to be redeemed on any date prior to its maturity, the Trustee shall have given to the Bondholder irrevocable notice of redemption of such Bond on said date; (b) there shall be on deposit with the Trustee either money or noncallable and nonprepayable direct obligations of the United States of America (or other defeasance securities constituting Qualified Investments approved in writing by the Bondholder Representative) in an amount, together with anticipated earnings thereon (but not including any reinvestment of such earnings), which will be sufficient to pay, when due, the principal or redemption price, if applicable, and interest due and to become due on such Bond on the redemption date or maturity date thereof, as the case may be; (c) the Trustee shall have received a verification report of a firm of certified public accountants or financial analyst reasonably acceptable to the Trustee and the Bondholder Representative as to the adequacy of the amounts or securities so deposited to fully pay the Bonds deemed to be paid (provided such report shall not be required if the Bonds will mature or be redeemed within 60 days of a cash-only deposit that the Trustee certifies in writing will be sufficient to fully pay such Bonds); (d) the Trustee and the Bondholder Representative shall have received a written opinion of nationally recognized counsel experienced in bankruptcy matters to the effect that if the Borrower, any general partner, member or guarantor of the Borrower, or the Issuer were to become a debtor in a proceeding under the Bankruptcy Code (x) payment of such money to holders of the Bonds would not constitute a voidable preference under Section 547 of the Bankruptcy Code and (y) the automatic stay provisions of Section 362(a) of the Bankruptcy Code would not prevent application of such money to the payment of the Bonds; and (e) the Trustee and the Bondholder Representative shall have received an opinion of Bond Counsel to the effect that the defeasance of the Bonds is in accordance with the provisions of the Indenture and, if the defeasance relates to the Bonds, that such defeasance will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

The Trustee shall in no event cause the Bonds to be optionally redeemed from money deposited pursuant to this Article IX unless the requirements of Article III have been met with respect to such redemption.

Section 9.02 ***Discharge of Liability on Bonds.*** Upon the deposit with the Trustee, in trust, at or before maturity, of money or securities in the necessary amount (as provided in Section 9.01 above) to pay or redeem Outstanding Bonds (whether upon or prior to their maturity or the redemption date of such Bonds) provided that, if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been given as in Article III provided or provision satisfactory to the Trustee shall have been made for the giving of such notice, all

liability of the Issuer in respect of such Bonds shall cease, terminate and be completely discharged, except only that thereafter the holders thereof shall be entitled to payment by the Issuer, and the Issuer shall remain liable for such payment, but only out of the money or securities deposited with the Trustee as aforesaid for their payment, subject, however, to the provisions of Section 9.03 hereof.

Section 9.03 ***Payment of Bonds After Discharge of Indenture.*** Notwithstanding any provisions of this Indenture, and subject to applicable unclaimed property laws of the State, any money deposited with the Trustee or any paying agent in trust for the payment of the principal of, interest or premium on the Bonds remaining unclaimed for one year after the payment thereof, to the extent permitted by applicable law, shall be paid to the Borrower, whereupon all liability of the Issuer and the Trustee with respect to such money shall cease, and the holders of the Bonds shall thereafter look solely to the Borrower for payment of any amounts then due. All money held by the Trustee and subject to this Section 9.03 shall be held uninvested and without liability for interest thereon.

ARTICLE X
INTENTIONALLY OMITTED

ARTICLE XI
MISCELLANEOUS

Section 11.01 ***Consents and Other Instruments of Bondholders.*** Any consent, request, direction, approval, waiver, objection, appointment or other instrument required by this Indenture to be signed and executed by the Bondholders may be signed and executed in any number of concurrent writings of similar tenor and may be signed or executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such instrument, if made in the following manner, shall be sufficient for any of the purposes of this Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken under such instrument, namely:

(a) the fact and date of the execution by any Person of any such instrument may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer of any jurisdiction, authorized by the laws thereof to take acknowledgments of deeds, certifying that the Person signing such instrument acknowledged the execution thereof. Where such execution is by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such affidavit or certificate shall also constitute sufficient proof of such authority;

(b) the ownership of registered Bonds shall be proved by the Bond Register; and

(c) any request, consent or vote of the Holder of any Bond shall bind every future Holder of the same Bond and the Holder of every Bond issued in exchange therefor or in lieu thereof, in respect of anything done or permitted to be done by the Trustee or the Issuer in pursuance of such request, consent or vote.

Section 11.02 ***Servicing of the Bond Mortgage Loan.*** The Bondholder may appoint a Servicer (which may be the Bondholder Representative) to service the Bond Mortgage Loan as provided in Section 3.02 of the Financing Agreement.

Section 11.03 ***Limitation of Rights.*** With the exception of rights herein expressly conferred, nothing expressed or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any Person other than the Parties hereto, the Bondholder Representative, the Servicer, the Borrower and the Holders of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Indenture or any covenants, conditions and provisions hereof.

Section 11.04 ***Construction of Conflicts; Severability.*** Notwithstanding anything provided herein, or in any of the documents referred to herein, in the event that any contracts or other documents executed by the Borrower or any other arrangements agreed to by the Borrower in order to finance or refinance the Project with the proceeds of the Bonds, the interest on which is excluded from gross income for federal income tax purposes under Section 103(a) of the Code are inconsistent with the Bond Mortgage Loan Documents, then the Bond Mortgage Loan Documents shall be controlling in all respects. This Indenture and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written. If any provision of this Indenture shall be held or deemed to be, or shall in fact be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute, rule of law or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or sections in this Indenture contained, shall not affect the remaining portions of this Indenture, or any part thereof.

Section 11.05 ***Notices***

(d) Any provision of this Indenture relating to the mailing of notice or other communication to Bondholders shall be deemed fully complied with if such notice or other communication is mailed, by first class mail, postage prepaid, or overnight delivery service, to each registered Owner of any Bonds then Outstanding at the address of such registered Owner as it appears on the Bond Register. Whenever in this Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the Person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Any notice, request, complaint, demand, communication or other paper required or permitted to be delivered to the Issuer, the Trustee, the Bondholder Representative, the Borrower or the Servicer shall be sufficiently given and shall be deemed given (unless another form of notice shall be specifically set forth herein) on the Business Day following the date on which such notice or other communication shall have been delivered to a national overnight delivery service (receipt of which to be evidenced by a signed receipt from such overnight delivery service) addressed to the appropriate party at the addresses set forth below or as may be required or permitted by this Indenture by Electronic Notice or by a facsimile transmission for which a

confirmation of receipt has been delivered. The Issuer, the Trustee, the Bondholder Representative, the Borrower or the Servicer may, by notice given as provided in this paragraph, designate any further or different address to which subsequent notices or other communication shall be sent.

The Issuer:
City of Chicago
Department of Housing
City Hall
121 N. LaSalle Street, Room 1006
Chicago, Illinois 60602

With copies to:

City of Chicago
Office of the Corporation Counsel
City Hall – Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic Development Division
Telephone: (760) 930-1221

And to:

City of Chicago
Department of Finance
City Hall
121 N. LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

The Trustee:
UMB Bank, National Association
3070 Bristol St., Suite 300
Costa Mesa, CA 92626
Attention: Corporate Trust Services:

The Borrower:
TTG Indian Trails Limited Partnership
c/o Transcend Group LLC
601 Cypress Avenue, Suite 302
Hermosa Beach, CA _____
Attention: Chuck Treatch and Nick Tufano
Email: Chuck@transcendgrp.com
Nick@transcendgrp.com

with copies to:
Applegate & Thorne-Thomsen, PC
425 S. Financial Place, Suite 900
Chicago, IL 60605
Email: wwenzloff@att-law.com
Attention: Warren P. Wenzloff
CREA Indian Trails, LLC
30 S. Meridian Street, Suite 400

Indianapolis, IN 46204
Email: _____
Attention: Asset Management

Attention:

Bondholder
Representative:

Attention:
Email:

With a copy to:

Attention:
Email:

[Servicer: Berkadia Commercial Mortgage LLC
323 Norristown Road, Suite 300
Ambler, Pennsylvania 19002
Attention: Loan Servicing]

The Trustee agrees to accept and act upon facsimile transmission or Electronic Notice of written instructions and/or directions pursuant to this Indenture.

(e) The Trustee shall provide to the Bondholder Representative and the Servicer (i) prompt notice of the occurrence of any Event of Default pursuant to Section 6.01 hereof and (ii) any written information or other written communication received by the Trustee hereunder within ten (10) Business Days of receiving a written request from the Bondholder Representative and the Servicer for any such information or other communication.

Section 11.06 ***Bondholder Representative***

(a) The Majority Bondholder is the initial Bondholder Representative with respect to the Bonds. The Bondholder Representative shall be entitled to all the rights and privileges of the Bondholders hereunder and under the other Bond Financing Documents.

(b) The Bondholder Representative may provide written notice to the Trustee designating particular individuals or Persons authorized to execute any consent, waiver, approval, direction or other instrument on behalf of the Bondholder Representative, and such notice may be amended or rescinded by the Bondholder Representative at any time by subsequent written notice. The Bondholder Representative may be removed and a successor appointed by a written notice in the form of Exhibit B hereto given by the Majority Bondholder

to the Trustee, the Issuer, the Servicer and the Borrower. The removal and reappointment shall be effective immediately upon receipt of such notice by the Trustee. The Majority Bondholder may appoint any Person to act as Bondholder Representative, including, without limitation, the Servicer. If, for any reason, a Bondholder Representative resigns by written notice provided to the Trustee, the Majority Bondholder, the Issuer, the Servicer and the Borrower, or a Bondholder Representative has not been designated by the Majority Bondholders, then all references to Bondholder Representative herein and in the other Bond Financing Documents shall be deemed to refer to the Majority Bondholder until a successor Bondholder Representative is appointed by the Majority Bondholder.

(c) Whenever pursuant to this Indenture or any other Bond Financing Document, the Bondholder Representative exercises any right given to it to approve or disapprove, or any arrangement or term is to be acceptable to the Bondholder Representative, the decision of the Bondholder Representative to approve or disapprove or to decide whether arrangements or terms are acceptable or not acceptable shall be in the sole discretion of the Bondholder Representative, except as otherwise specifically indicated.

(d) Each Holder of the Bonds (and any beneficial owners thereof), by their purchase or other acquisition thereof, shall be deemed to have acknowledged and agreed to the provisions of this Indenture and the other Bond Financing Documents with respect to the Bondholder Representative and the rights and privileges thereof, including but not limited to the right to control all remedies in respect of the Bonds and the Bond Mortgage Loan subject to Section 6.08 hereof.

Section 11.07 ***Trustee as Paying Agent and Bond Registrar.*** The Trustee is hereby designated and agrees to act as Paying Agent and Bond Registrar for and in respect to the Bonds. When acting in either such capacity, the Trustee will receive the same rights, protections and indemnifications afforded to the Trustee hereunder.

Section 11.08 ***Payments Due on Non-Business Days.*** In any case where a date of payment with respect to any Bonds shall be a day other than a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on such date, and no interest shall accrue for the period after such date provided that payment is made on such next succeeding Business Day.

Section 11.09 ***Counterparts.*** This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.10 ***Laws Governing Indenture and Administration of Trust.*** This Indenture and the Bonds are contracts made under the laws of the State and shall be governed by and construed in accordance with the Constitution and laws applicable to contracts made and performed in the State. This Indenture and the Bonds shall be enforceable in the State excluding its conflict of laws rules to the extent such rules would apply the law of another jurisdiction and any action arising out of this Indenture or the Bonds shall be filed and maintained in the County of Cook, Illinois, unless the Issuer waives this requirement.

Section 11.11 ***No Recourse.*** No recourse under or upon any obligation, covenant or agreement contained in this Indenture or in any Bond shall be had against any member, officer, commissioner, director or employee (past, present or future) of the Issuer, either directly or

through the Issuer or its governing body or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Holder of any Bond issued hereunder, or otherwise, of any sum that may be due and unpaid by the Issuer or its governing body upon any such Bond. Any and all personal liability of every nature whether at common law or in equity or by statute or by constitution or otherwise of any such member, officer, commissioner, director or employee, as such, to respond by reason of any act of omission on his/her part or otherwise, for the payment for or to the Holder of any Bond issued hereunder or otherwise of any sum that may remain due and unpaid upon any Bond hereby secured is, by the acceptance hereof, expressly waived and released as a condition of and in consideration for the execution of this Indenture and the issuance of the Bonds.

Section 11.12 ***Successors and Assigns.*** All the covenants and representations contained in this Indenture by or on behalf of the parties hereto shall bind and inure to the benefit of their successors and assigns, whether so expressed or not.

[Signature Pages Follow]

THIS INDENTURE ("**Indenture**"), dated as of [December] 1, 2025, by and between the **CITY OF CHICAGO**, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "**Issuer**"), and UMB Bank, National Association, a national banking association, as Trustee (such trustee or any of its successors in trust, the "**Trustee**"). Capitalized terms are defined in Section 1.01 of this Indenture.

RECITALS

WHEREAS, pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the hereinafter defined Substitute Ordinance of the Issuer, the Issuer is authorized to exercise any power and perform any function pertaining to its government and affairs, including the power to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low and moderate income persons or families within the Issuer, which constitutes a valid public purpose for the issuance of revenue bonds by the Issuer; and

WHEREAS, the Issuer has determined to issue, sell and deliver [$35,000,000] aggregate principal amount of its Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 (the "**Bonds**"), as provided herein for the purpose of making a loan to TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "**Borrower**"), which loan will be used, together with other amounts, to finance an affordable housing development project consisting of (i) the acquisition of three five-story buildings on an approximately four-acre parcel located at the southeast corner of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois (the "**Facilities**"), and (ii) the renovation of the Facilities, which renovations include upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (collectively, the foregoing constitute the "**Renovations**" and collectively with the acquisition of the Facilities, the "**Project**"); and

WHEREAS, the Borrower desires to obtain Multi-Family Housing Financing from the Issuer for the purpose of financing a portion of the (i) costs of the acquisition of the Facilities, (ii) costs of the Renovations, (iii) costs of issuance and other costs in connection with the issuance of the Bonds; and

WHEREAS, the Issuer will loan the proceeds of the Bonds to the Borrower by entering into a Financing Agreement dated as of December 1, 2025, by and among the Issuer, the Borrower and the Trustee (the "**Financing Agreement**") and the Bonds shall be payable solely from the revenues received by the Issuer from the repayment of the proceeds of the Bonds to the Borrower (the "**Bond Mortgage Loan**") and from other revenues derived from the Bond Mortgage Loan and the Bonds; and

WHEREAS, the Borrower has agreed to use the proceeds of the Bond Mortgage Loan to finance the Acquisition and the Renovations and to pay other eligible costs related thereto; and

WHEREAS, the Borrower's repayment obligations in respect of the Bond Mortgage Loan will be evidenced by a Bond Mortgage Note dated the Delivery Date (together with all

[Schedule 1 referred to in this Trust Indenture unavailable at time of printing.]

(Sub)Exhibits "A", "B", "C", "D" and "E" referred to in this Trust Indenture read as follows:

(Sub)Exhibit "A".
(To Trust Indenture)

Form Of Bond.

United States Of America.

State Of Illinois.

By Possession Of This Bond, The Holder Certifies That It Is An Approved Buyer As Defined In The Indenture. This Bond May Only Be Registered In The Name Of, Held By, Or Transferred To, An Approved Buyer As Defined In The Indenture And Pursuant To The Terms Of The Indenture.

City Of Chicago.

Multi-Family Housing Revenue Bonds.

(Indian Trails Apartments), Series 2025.

Number R-1 [$35,000,000]

Maturity Date	Dated Date	Initial Interest Rate	CUSIP Number
_____ 1, 20__	December __, 2025	____%	_____

Registered Owner: _____

Aggregate Principal Amount: [Thirty-five Million Dollars And 00/100]

The City of Chicago, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received, hereby promises (but solely from the sources and in the manner provided for in the hereinafter defined Indenture) to pay to the registered owner identified above, or registered assigns, on the maturity date set forth above, unless previously called for redemption, the principal sum as set forth above (subject to the last sentence of this paragraph), together with interest thereon at the Bond Interest Rate provided in

the Indenture on each Interest Payment Date until the principal amount hereof shall have been fully paid. All capitalized terms not defined herein shall have the meaning set forth in the Indenture dated as of December 1, 2025 (the "Indenture"), by and between the Issuer and UMB Bank, National Association (the "Trustee"). Notwithstanding anything to the contrary herein, the outstanding principal balance of this Bond at any time shall be an amount equal to the proceeds of the Bonds advanced by the Initial Bondholder under the Indenture and not otherwise prepaid and interest shall accrue on the principal amount of the Bonds which have been advanced under the Indenture and is outstanding as reflected on the Record of Advances.

Neither The Issuer Nor Any Person Executing The Bonds On Behalf Of The Issuer Is Liable Personally On The Bonds Or Subject To Any Personal Liability Or Accountability By Reason Of Their Issuance. The Bonds Are Limited Obligations Of The Issuer, Payable Solely From And Secured By The Pledge Of The Trust Estate Hereunder. Neither The Issuer, The State Of Illinois, Nor Any Of Its Political Subdivisions Shall Be Directly, Indirectly, Contingently Or Morally Obligated To Use Any Other Moneys Or Assets To Pay All Or Any Portion Of The Debt Service Due On The Bonds, To Levy Or To Pledge Any Form Of Taxation Whatever Therefor Or To Make Any Appropriation For Their Payment. The Bonds Are Not A Pledge Of The Faith And Credit Of The Issuer, Its Members, The State Of California Or Any Of Its Political Subdivisions Nor Do They Constitute Indebtedness Within The Meaning Of Any Constitutional Or Statutory Debt Limitation. The Issuer Has No Taxing Power.

The Issuer Shall Not Be Liable For Payment Of The Principal Of, Redemption Price Or Interest On The Bonds Or Any Other Costs, Expenses, Losses, Damages, Claims Or Actions Of Any Conceivable Kind On Any Conceivable Theory, Under Or By Reason Of Or In Connection With The Indenture, The Bonds Or Any Other Documents, Except Only To The Extent Amounts Are Received For The Payment Thereof From The Borrower Under The Financing Agreement.

This Bond is one of a duly authorized issue of bonds of the Issuer known as its City of Chicago Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025, issued in the maximum aggregate principal amount of [$35,000,000] (the "Bonds") under and pursuant to the Constitution and the laws of the State, and a bond ordinance adopted by the Issuer on October __, 2025. The Bonds are limited obligations of the Issuer payable solely from and secured by the Trust Estate pledged therefore pursuant to the Indenture.

The Bonds are being issued for the purpose of making a loan to TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "Borrower"), which loan will be used, together with other amounts, to finance an affordable housing development project consisting of: (i) the acquisition of three five-story buildings on an approximately four-acre parcel located at the southeast corner of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois (the "Facilities"); and (ii) the renovation of the Facilities,

which renovations include upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (collectively, the foregoing constitute the "Renovations" and collectively with the acquisition of the Facilities, the "Project").

The Bonds are issuable as fully registered bonds in Authorized Denominations of $100,000 and any increments of $1.00 in excess thereof.

This is a draw-down Bond. The principal amount of this Bond as of any given date shall be equal to (i) the total amount of principal advanced by the Bond Purchaser, less (ii) any payment of principal on the Bonds received by the Holders thereof. Principal amounts advanced by the Bond Purchaser shall be noted on the principal draw-down schedule attached to this Bond and acknowledged thereon by the Trustee.

Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the Trust Estate under the Indenture, the nature and extent of the security, the terms and conditions upon which the Bonds are issued and secured and the rights of the holders thereof, to all of the provisions of which Indenture the registered Owner of this Bond, by acceptance hereof, assents and agrees. This Bond is equally and ratably secured under the Indenture with all other Bonds issued thereunder.

The Bonds are subject to optional and mandatory redemption in accordance with the provisions of the Indenture.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

This Bond is transferable as provided in the Indenture. The Bonds are issuable only as fully registered Bonds without coupons.

The Issuer and the Trustee may deem and treat the registered holder hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes and neither the Issuer nor the Trustee shall be affected by any notice to the contrary.

This Bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until this Bond shall have been authenticated by the certificate of the Trustee endorsed hereon.

In the event of a conflict between the terms of this Bond and the Indenture, the terms of the Indenture shall control.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in the time, form and manner as required by law; that payment in full for this Bond has been received; and that this Bond and the issue of which it forms a part does not exceed or violate any constitutional or statutory limitation.

Notwithstanding any provisions of this Indenture or the Bonds to the contrary, the Issuer shall be permitted to direct that payments representing prepayments or repayments of principal on the Bond Mortgage Note be delivered to a custodian or trustee selected by the Issuer, in lieu of application to repay a like portion of the Bonds, so long as the Issuer simultaneously causes other funds to be applied to repay such portion of the Bonds. [The preceding provisions shall apply only for purposes of preserving or "recycling" private activity bond volume cap in accordance with Section 146(i)(6) of the Code.]

[Remainder Of Page Intentionally Left Blank]

In Witness Whereof, The Issuer has caused this Bond to be duly executed in its name by the manual or facsimile signature of an authorized officer and its corporate seal to be hereunto impressed or imprinted hereon and attested to by the manual or facsimile signature of an authorized officer of the Issuer, all as of the Dated Date identified above.

City of Chicago, Illinois

(Seal):

By: _____

Name: Brandon Johnson

Title: Mayor

Attest:

By: _____

Name: Andrea M. Valencia

Title: City Clerk

Certificate Of Authentication.

This Bond is one of the Bonds issued under the provisions of and described in the within-mentioned Indenture.

Date of Authentication: _____

_____

By: _____
Authorized Signer

Date of Authentication: December __, 2025

Date from which interest is payable: Dated Date

[Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the issuer or its agent for registration or transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is required by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as if required by an authorized representative of DTC), Any Transfer, Pledge Or Other Use Hereof For Value Or Otherwise By Or To Any Person Is Wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.]

Form Of Assignment.

For Value Received, the undersigned hereby sells, assigns and transfers unto

_____

_____

_____

(Please insert Social Security Number or other identifying number of assignee: _____)

(Please print or Typewrite Name and Address of Assignee: _____)

The within bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

_____
Signature

Notice: The Signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

(Sub)Exhibit "B".
(To Trust Indenture)

Form Of Notice Of Appointment Of Bondholder Representative.

City of Chicago, Illinois
Chicago, Illinois
_____ [Trustee]

[Berkadia Commercial Mortgage LLC
Ambler, Pennsylvania]

Re: City of Chicago $_____ Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025

Ladies and Gentlemen:

The undersigned is the Majority Bondholder of the above-referenced Bonds (the "Bonds"), as such term is defined in the Indenture dated as of December 1, 2025 (the "Indenture"), between the City of Chicago, Illinois (the "Issuer") and _____, as trustee (the "Trustee"). Pursuant to Section 11.06 of the Indenture, you are hereby notified that, effective immediately upon receipt of this notice by the Trustee, the Bondholder Representative appointed under Section 11.06 of the Indenture shall be _____. [The person or entity previously appointed as Bondholder Representative shall upon the effectiveness of this notice no longer have any further rights or obligations as Bondholder Representative.]

The following individual or individuals shall have the authority to execute any consent, waiver, approval, direction or other instrument on behalf of the Bondholder Representative and the signature(s) set forth next to his/her (their) name(s) is (are) his/her (their) true and correct signature(s).

Name	Signature
_____	_____
_____	_____
_____	_____
_____	_____

Additional individuals may be given such authority by written notice to you from the Bondholder Representative or from the Majority Bondholder.

This notice is dated as of the _____ day of _____, ____.

[Majority Bondholder Signature Block]

By: _____

(Sub)Exhibit "C".
(To Trust Indenture)

Form Of Investor Letter.

[To Be Prepared On Letterhead Of Purchaser]

[Date]

City of Chicago, Illinois
Chicago, Illinois

UMB Bank, National Association, as Trustee

Re: City of Chicago $_____ Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025

Ladies and Gentlemen:

The undersigned (the "Investor") hereby acknowledges receipt of $_____ in aggregate principal amount of the above-referenced bonds (the "Bonds") issued pursuant to the terms of the Indenture dated as of December 1, 2025 (the "Indenture") between the City of Chicago (the "Issuer") and UMB Bank, National Association, as trustee (the "Trustee"). Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

In connection with the purchase of the Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Bonds and to execute this letter, and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

2. The Investor is an "accredited investor" under Regulation D of the Securities Act of 1933 (the "Act") or a "qualified institutional buyer" under Rule 144(a) of said Act (such "accredited investor" or "qualified institutional buyer," a "Qualified Transferee"), and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Bonds.

3. The Investor acknowledges that it is purchasing the Bonds for investment for its own account and not with a present view toward resale or the distribution thereof, in that it does not now intend to resell or otherwise dispose of all or any part of its interests in the Bonds; provided, however, that the Investor may in the future transfer or dispose of the Bonds as permitted by the Indenture.

4. The Investor understands that the Bonds are not registered under the Act and that such registration is not legally required as of the date hereof; and further understands that the Bond: (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (b) will not be listed in any stock or other securities exchange; (c) will not carry a rating from any rating service; and (d) will be delivered in a form which may not be readily marketable.

5. The Investor understands that: (a) the Bonds are not secured by any pledge of any moneys received or to be received from taxation by the City of Chicago or any other political subdivision and that the Issuer has no taxing power; (b) the Bonds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the Issuer, the State of Illinois or any political subdivision thereof; and (c) the liability of the Issuer with respect to the Bonds is limited to the Trust Estate as set forth in the Indenture.

6. The Investor has either been supplied with or been given access to information, including financial statements and other financial information, which it considers necessary to make an informed decision in connection with the purchase of the Bonds. The Investor has not relied upon the Issuer for any information in connection with its purchase of the Bonds.

7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Investor is aware that the business of the Borrower involves certain economic variables and risks that could adversely affect the security for the Bonds.

All agreements, representations and warranties made herein shall survive the execution and delivery of this letter agreement and, notwithstanding any investigation heretofore or hereafter, shall continue in full force and effect.

[Investor Signature Block]

By:

Name: _____

Title:

(Sub)Exhibit "D".
(To Trust Indenture)

Costs Of Issuance Requisition.
(Cost Of Issuance Fund)

UMB Bank, National Association, as Trustee

Re: City of Chicago $_____ Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025

Trustee:

You are requested to disburse funds from the Cost of Issuance Fund pursuant to Section 4.13 of the Indenture in the amount(s), to the person(s) and for the purpose(s) set forth in this requisition (the "Requisition"). The terms used in this requisition shall have the meaning given to those terms in the Indenture (the "Indenture"), dated as of December 1, 2025, by and between the City of Chicago and UMB Bank, National Association, as trustee, securing the above referenced Bonds.

Requisition Number: _____
Payment Due To: _____
Amount To Be Disbursed: $

The undersigned, on behalf of TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "Borrower"), certifies that:

(a) the expenditures for which money is requisitioned by this Requisition represent proper charges against the Cost of Issuance Fund, have not been included in any previous requisition and are set forth in the Schedule attached to this Requisition, with invoices attached for any sums for which reimbursement is requested; and

(b) the money requisitioned is not greater than those necessary to meet obligations due and payable or to reimburse the applicable party for funds actually advanced for Costs of Issuance.

(c) it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, and agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

Attached to this Requisition is a Schedule, together with copies of invoices or bills of sale covering all items for which payment is being requested.

Date of Requisition: _____

TTG Indian Trails Limited Partnership,
an Illinois limited partnership

By: TTG Indian Trails, LLC, its general partner

By: _____

Name: _____

Title: _____
Manager

By: _____

Name: _____

Title: _____
Manager

(Sub)Exhibit "E".
(To Trust Indenture)

Bond Mortgage Loan Fund Requisition.
(Bond Mortgage Loan Fund)

UMB Bank, National Association, as Trustee

Re: City of Chicago $_____ Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025

You are requested to disburse funds from the Bond Mortgage Loan Fund pursuant to Section 4.02 of the Indenture in the amount(s), to the person(s) and for the purpose(s)

set forth in this requisition (the "Requisition"). The terms used in this requisition shall have the meaning given to those terms in the Indenture (the "Indenture"), dated as of December 1, 2025, by and between the City of Chicago and UMB Bank, National Association, as trustee, securing the above referenced Bonds.

Requisition Number: _____
Payment Due To: _____
Amount(s) To Be Disbursed: $_____ from the Project Account
$_____ from the Borrower Equity Account

The undersigned Borrower hereby represents and warrants that the following information and certifications provided in connection with this Requisition are true and correct as of the date hereof and authorizes Servicer to submit this Requisition to Bond Trustee on behalf of Borrower:

1. Purposes for which disbursement is requested are specified in the attached Schedule.

2. Party or parties to whom the disbursements shall be made are specified in the attached Schedule (may be the undersigned in the case of reimbursement for advances and payments made or cost incurred for work done by the undersigned); provided, that no reimbursement shall be made for advances and payments made prior to _____, 20___.

3. The undersigned certifies that:

   a. the conditions precedent to disbursement set forth m the Construction Funding Agreement have been satisfied;

   b. the disbursement requested pursuant to this Requisition will be used solely to pay a cost or costs allowable under the Indenture and the Construction Funding Agreement;

   c. none of the items for which disbursement is requested pursuant to this Requisition has formed the basis for any disbursement previously made from the Bond Mortgage Loan Fund and all such items have been properly recorded in Borrower's books and are set forth on the Schedule attached hereto, along, with paid invoices attached for any sum for which reimbursement is requested and invoices or bills of sales for all other items;

   d. all labor and materials for which disbursements have been requested have been incorporated into the Project in accordance with reasonable and standard building practices, the Construction Funding Agreement and all Legal Requirements (as defined in the Construction Funding Agreement);

   e. the materials, supplies and equipment furnished or installed for the Improvements are not subject to any lien or security interest or that the funds to be disbursed pursuant to this Requisition are to be used to satisfy any such lien or security interest;

f. all of the funds being requisitioned are being used in compliance with all tax covenants set forth in the Indenture, the Financing Agreement and the Tax Certificate, including that none of the proceeds of the Bonds (including investment earnings thereon) will be used to provide an airplane, a skybox or any other private luxury box, any facility primarily used for gambling, health club facility or any store the principal business of which is the sale of alcoholic beverages for consumption off premises;

g. with respect to amounts from the Project Account of the Bond Mortgage Loan Fund, not less than 95 percent of the sum of:

(A) the amounts requisitioned by this Requisition; plus

(B) all amounts previously requisitioned and disbursed from the Project Account of the Bond Mortgage Loan Fund; have been or will be applied by Borrower to pay the Costs of the Project;

h. Borrower is not in default under the Financing Agreement, the Construction Funding Agreement or any other Bond Mortgage Loan Document to which it is a party and nothing has occurred to the knowledge of Borrower that would prevent the performance of its obligations under such documents;

i. no amounts being requisitioned hereby will be used to pay, or reimburse, any Costs of Issuance incurred in connection with the issuance of the Bonds or pay debt service with respect to the Bond Mortgage Loan, except as otherwise authorized under Section 2.12 of the Indenture; and

*h. funds deposited with Borrower for further disbursement to third parties shall be paid to such third parties by check dated the date of such deposit and Borrower reasonably expects such funds will be disbursed from its account within five Business Days of such deposit.

[Following items may not be required for Initial Disbursement]

4. Estimated costs of completing the uncompleted Improvements (as defined in the Construction Funding Agreement) as of the date of this Requisition: _____

* Editor's Note: Numbering sequence error in original document.

In Witness Whereof, The undersigned has executed this Requisition as of the day and date first above written.

Date: _____

TTG Indian Trails Limited Partnership,
an Illinois limited partnership

By: TTG Indian Trails, LLC, its general partner

By: _____

Name: _____

Title: _____
Manager

By: _____

Name: _____

Title: _____
Manager

Approved:

Berkadia Commercial Mortgage LLC

By: _____

Name: _____

Title: _____

Exhibit "C".
(To Ordinance)

FINANCING AGREEMENT

among

CITY OF CHICAGO,
as Issuer

UMB Bank, National Association,
as Trustee

and

TTG INDIAN TRAILS LIMITED PARTNERSHIP,
AN ILLINOIS LIMITED PARTNERSHIP,
as Borrower

Relating to

[$35,000,000]
CITY OF CHICAGO
MULTI-FAMILY HOUSING REVENUE BONDS
(INDIAN TRAILS APARTMENTS), SERIES 2025

Dated as of December 1, 2025

All of the right, title and interest of the City of Chicago (except for its Unassigned Rights) in and to this Financing Agreement are being assigned to UMB Bank, National Association, as Trustee, as security for the above-referenced bonds pursuant to a certain Indenture dated as of December 1, 2025.

THIS FINANCING AGREEMENT (this "**Financing Agreement**") is made and entered into as of December 1, 2025, by and among the **CITY OF CHICAGO** (the "**Issuer**"), a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "**State**"), UMB Bank, National Association, a national banking association, duly organized and existing under the laws of the United States (together with any successor trustees appointed under the Indenture, the "**Trustee**"), and **TTG INDIAN TRAILS LIMITED PARTNERSHIP,** an Illinois limited partnership duly organized and existing under the laws of the State (together with its successors and assigns permitted hereunder, the "**Borrower**").

RECITALS

WHEREAS, pursuant to Article VII, Section 6 of the 1970 Constitution of the State of Illinois and pursuant to the hereinafter defined Substitute Ordinance of the Issuer, the Issuer is authorized to exercise any power and perform any function pertaining to its government and affairs, including the power to issue its revenue bonds in order to aid in providing an adequate supply of residential housing for low and moderate income persons or families within the Issuer, which constitutes a valid public purpose for the issuance of revenue bonds by the Issuer; and

WHEREAS, the Issuer is authorized to issue one or more series of its revenue bonds and loan the proceeds thereof to finance, among other things, the acquisition, construction and development of multifamily rental housing for persons and families of low or moderate income; and

WHEREAS, pursuant to the Indenture, dated as of December 1, 2025 by and between the Issuer and the Trustee (the "**Indenture**"), the Issuer has determined to issue, sell and deliver [$35,000,000] aggregate principal amount of its Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 (the "**Bonds**"), as provided herein for the purpose of making a loan to TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "**Borrower**"), which loan will be used, together with other amounts, to finance an affordable housing development project consisting of (i) the acquisition of three five-story buildings on an approximately four-acre parcel located at the southeast corner of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois (the "**Facilities**"), and (ii) the renovation of the Facilities, which renovations include upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (collectively, the foregoing constitute the "**Renovations**" and collectively with the acquisition of the Facilities, the "**Project**"); and

WHEREAS, the Issuer has agreed to use the proceeds derived from the sale of the Bonds to make a mortgage loan in the principal amount of [$35,000,000] (the "**Bond Mortgage Loan**") to the Borrower in connection with the Project on the terms specified in this Financing Agreement and upon the satisfaction of various conditions contained herein and in the Indenture; and

WHEREAS, the Borrower has agreed to use the proceeds of the Bond Mortgage Loan to finance the above-described costs of the Project and to pay certain costs of issuance of the Bonds; and

WHEREAS, the Borrower's repayment obligations in respect of the Bond Mortgage Loan will be evidenced by a Bond Mortgage Note dated the Delivery Date (together with all riders and addenda thereto, the "**Bond Mortgage Note**"), a copy of which is attached hereto as **Exhibit A**, delivered to the Issuer and endorsed by the Issuer to the Trustee for the benefit of the holders of the Bonds from time to time; and

WHEREAS, to secure the Borrower's obligations under the Bond Mortgage Note, the Borrower will execute and deliver to the Issuer a Multifamily Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated as of the date hereof (the "**Bond Mortgage**") with respect to the Project. Pursuant to the Assignment, the Bond Mortgage will be assigned by the Issuer to the Trustee; and

WHEREAS, the Borrower and the Trustee are entering into (i) a Continuing Covenant Agreement dated as of the date hereof (the "**Continuing Covenant Agreement**"), which sets forth various other covenants with respect to the Borrower and the Project, and (ii) a Construction Funding Agreement dated as of the date hereof (the "**Construction Funding Agreement**"), which sets forth conditions to disbursement of the proceeds of the Bond Mortgage Loan to the Borrower.

NOW, THEREFORE, for and in consideration of the mutual covenants and representations hereinafter contained, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 ***Definitions***. All words and phrases (except for Event of Default) defined in the Indenture and the Continuing Covenant Agreement shall have the same meanings for the purposes of this Financing Agreement. In addition to the words and phrases defined in the Indenture and elsewhere herein, the following words and phrases shall have the following meanings:

"Bond Mortgage Loan Payment" means each payment of the Bond Mortgage Loan on each Bond Mortgage Loan Payment Date pursuant to the Bond Mortgage Note and this Financing Agreement.

"*Bond Mortgage Loan Payment Date*" means (A) the first day of each calendar month, commencing _____ 1, 2026, or (B) any other date on which the Bond Mortgage Loan is prepaid or paid, whether at scheduled maturity or upon prepayment or acceleration of the maturity thereof; provided, however, that if a Bond Mortgage Loan Payment Date is not a Business Day, payment shall be made on the first Business Day following such Bond Mortgage Loan Payment Date.

"Event of Default" means any of those events specified in and defined by the applicable provisions of Article VII hereof to constitute an event of default.

"Financing Agreement" means this Financing Agreement, together with any amendments hereto.

Section 1.02 ***Interpretation.*** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa unless the context shall otherwise indicate. Words importing persons include firms, partnerships, limited liability companies, joint ventures, associations and corporations. References to Articles, Sections and other subdivisions of this Financing Agreement are the Articles, sections and other subdivisions of this Financing Agreement as originally executed.

The terms "herein," "hereunder," "hereby," "hereto," "hereof" and any similar terms refer to this Financing Agreement; the term "heretofore" means before the date of execution of this Financing Agreement; and the term "hereafter" means after the date of execution of this Financing Agreement.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 2.01 ***Representations, Warranties and Covenants of the Issuer.*** The Issuer makes the following representations, warranties and covenants:

(a) The Issuer is a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois and is authorized to issue the Bonds and to perform its obligations under this Financing Agreement.

(b) All requirements have been met and procedures have occurred in order to authorize the execution and delivery of this Financing Agreement. The Issuer has taken all necessary action and has complied with all provisions of the law required to make this Financing Agreement a valid and binding limited obligation of the Issuer, except to the extent limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity, or by public policy.

(c) The Bonds have been duly authorized, executed and delivered by the Issuer. Nothing in this Financing Agreement shall be construed as requiring the Issuer to provide any financing for the Project other than the proceeds of the Bonds or to provide sufficient moneys for all of the cost of financing the Project.

(d) To the best knowledge of the Issuer, there is no action, suit, proceeding, inquiry or investigation by or before any court, governmental agency or public board or body pending or threatened against the Issuer that (i) affects or seeks to prohibit, restrain or enjoin the issuance, execution or delivery of the Bonds, the origination of the loan or the lending of the proceeds of the Bonds to the Borrower, or the execution and delivery of the Bond Financing Documents, (ii) affects or questions the validity or enforceability of the Bonds or the Bond Financing Documents or (iii) questions the tax-exempt status of interest on the Bonds.

It is expressly acknowledged that the Issuer makes no representation as to the financial position or business condition of the Borrower and does not represent or warrant as to any of the statements, materials (financial or otherwise), representations or certifications furnished or to be made and furnished by the Borrower in connection with the issuance, sale, execution and delivery of the Bonds, or as to the correctness, completeness or accuracy of such statements.

Section 2.02 ***Representations, Warranties and Covenants of the Borrower.*** The Borrower makes the following representations, warranties and covenants, all of which, together with the other representations and agreements of the Borrower contained in this Financing Agreement, are relied upon by the Issuer, the Bondholder Representative, the Servicer and the Trustee and serve as a basis for the undertakings of the Issuer, the Servicer and the Trustee contained in this Financing Agreement:

(a) The Borrower is a limited partnership duly organized, validly existing and in good standing under the laws of the State and duly qualified to conduct its business under the laws of the State and in every other state in which the nature of its business requires such qualification, has full legal right, power and authority to enter into this Financing Agreement and the other Bond Financing Documents, and to carry out and consummate all transactions contemplated hereby and by the other Bond Financing Documents, and by proper action has duly authorized the execution, delivery and performance of this Financing Agreement and the other Bond Financing Documents. All corporate general partners, if any, of the Borrower are duly organized and in good standing under the laws of their respective states of organization and are duly qualified to transact business in the State as either domestic or foreign corporations, as applicable. All partnership general partners, if any, are duly formed and in good standing under the laws of their respective states of formation and, to the extent required by the laws of the State, are duly qualified to transact business in the State as either domestic or foreign partnerships or limited liability companies, as applicable.

(b) The Borrower has the legal right, power and authority to (i) own its properties and assets, including, but not limited to, the Project, (ii) to carry on its business as now being conducted and the Borrower contemplates it to be conducted with respect to the Project and (iii) execute and deliver, carry out its obligations under, and close the transactions provided for in, the Bond Financing Documents to which it is a party.

(c) Each of the Bond Financing Documents to which the Borrower is a party has been duly authorized, executed and delivered by the Borrower and, assuming due authorization, execution and delivery by the other parties thereto, constitutes the legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally and general principles of equity.

(d) No authorization, consent, approval, order, registration, declaration or withholding of objection on the part of, or filing of or with any governmental authority, other than those already obtained or those necessary to be obtained during the course of construction and/or rehabilitation of the Project, is required for the due execution and

delivery or approval, as the case may be, by the Borrower of, and the performance by the Borrower of its obligations under, the Bond Financing Documents.

(e) None of the execution and delivery of the Bond Financing Documents to which the Borrower is a party, the consummation of the transactions provided for in the Bond Financing Documents, or the Borrower's fulfillment of or compliance with the terms and conditions of the Bond Financing Documents (i) violates or will violate any law, rule or regulation of any governmental agency or body having jurisdiction over the Borrower, or any of its activities or properties, or any judgment, order, writ, injunction or decree to which the Borrower is subject, or any of the organizational or other governing documents of the Borrower, (ii) conflicts or will conflict with any agreement, instrument or license to which the Borrower is now a party or by which it or any of its properties or assets is bound or results or will result in a breach of, or constitutes or will constitute a default (with due notice or the passage of time or both) under, any such agreement, instrument or license, (iii) contravenes or will contravene any such law, rule or regulation or any such judgment, order, writ, injunction or decree, or (iv) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower, except for any lien, charge or encumbrance permitted under the terms of the Bond Financing Documents.

(f) Within the six (6) month period preceding the Delivery Date, the Borrower has not acquired the Project or any interest therein, nor has the Borrower transferred or acquired any capital interest in the owner of the Project. The Borrower shall not cause or permit the Project, or any interest therein, to be sold, assigned or transferred, except as provided in the Bond Financing Documents, and shall not sell the Project or any interest therein or in its ownership structure for a period of six (6) months following the Delivery Date.

(g) There is no action, suit, proceeding, inquiry or investigation pending or, to the Borrower's knowledge, threatened against or affecting the Borrower or any of its properties (including, without limitation, the Project), which, if adversely determined, would (i) impair the right of the Borrower to carry on its business substantially as now conducted and as contemplated by the Bond Financing Documents, (ii) adversely affect the financial condition of the Borrower, (iii) prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds, or the loaning of the proceeds of the Bonds to the Borrower or the execution and delivery of the Bonds or any of the Bond Financing Documents, (iv) adversely affect the validity or enforceability of the Bonds or any of the Bond Financing Documents, or (v) adversely affect the exclusion from gross income for federal income tax purposes of interest on the Bonds.

(h) The Project and the operation of the Project (in the manner contemplated by the Bond Financing Documents) conform and, following completion of the rehabilitation and/or construction of the Project, will continue to conform in all material respects with the requirements of the Act as well as all applicable zoning, planning, building and environmental laws, ordinances and regulations of governmental authorities having jurisdiction over the Project.

(i) The Borrower has filed or caused to be filed all federal, state and local tax returns which are required to be filed or has obtained appropriate extensions therefor, and has paid or caused to be paid all taxes as shown on said returns or on any assessment received by it, to the extent that such taxes have become due.

(j) The Borrower is not in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which it is a party which default would materially adversely affect the transactions contemplated by the Bond Financing Documents or the operations of the Borrower or the enforceability of the Bond Financing Documents to which the Borrower is a party or the ability of the Borrower to perform all obligations thereunder.

(k) The Borrower agrees to pay all costs of maintenance and repair, all Taxes and assessments, insurance premiums (including public liability insurance and insurance against damage to or destruction of the Project) concerning or in any way related to the Project, or any part thereof, and any expenses or renewals thereof, and any other governmental charges and impositions whatsoever, foreseen or unforeseen, and all utility and other charges and assessments concerning or in any way related to the Project.

(l) If the Borrower is a partnership, all of the partnership interests in the Borrower are validly issued and are fully registered, if required, with the applicable governmental authorities and/or agencies, and, except as set forth in the Borrower's partnership agreement, there are no outstanding options or rights to purchase or acquire those interests. If the Borrower is a limited liability company, all of the ownership interests in the Borrower are validly issued and are fully registered, if required, with the applicable governmental authorities and/or agencies, and there are no outstanding options or rights to purchase or acquire those interests. Nothing in this Financing Agreement shall prevent the Borrower from issuing additional partnership interests or ownership interests if such units are issued in accordance with all applicable securities laws.

(m) The representations and warranties of the Borrower contained in the Tax Certificate and Land Use Restriction Agreement are true and accurate in all material respects.

(n) The information, statements or reports furnished in writing to the Issuer, the Servicer and the Bondholder Representative by the Borrower in connection with this Financing Agreement or the consummation of the transactions contemplated hereby do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; and the representations and warranties of the Borrower and the statements, information and descriptions contained in the Borrower's closing certificates, as of the Delivery Date, are true and correct in all material respects, do not contain any untrue statement of a material fact, and do not omit to state a material fact necessary to make the representations, warranties, statements, information and descriptions contained therein, in the light of the circumstances under which they were made, not misleading; and any estimates or the assumptions contained in any certificate of the Borrower delivered as of the Delivery Date are reasonable.

(o) To the knowledge of the Borrower, no commissioner, member, officer or employee of the Issuer has been or is in any manner interested, directly or indirectly, in that person's own name or in the name of any other person, in the Bond Financing Documents, the Borrower or the Project, in any contract for property or materials to be furnished or used in connection with the Project, or in any aspect of the transactions contemplated by the Bond Financing Documents.

(p) The Borrower intends to hold the Project for its own account and has no current plans to sell, and, except as set forth in the Borrower's partnership agreement, has not entered into any agreement, to sell all or any portion of the Project.

(q) The Project is located wholly within the boundaries of the City of Chicago, Illinois.

(r) The Borrower shall make no changes to the Project or to the operation thereof which would affect the qualification of the Project under the Act or impair the exclusion from gross income for federal income tax purposes of the interest on the Bonds. The Borrower shall operate the Project as required by the Land Use Restriction Agreement.

(s) The Indenture has been submitted to the Borrower for examination, and the Borrower, by execution of this Financing Agreement, acknowledges and agrees that it has participated in the drafting of the Indenture and that it is bound by, shall adhere to the provisions of, covenants and agrees to perform all obligations required of the Borrower pursuant to, and shall have the rights set forth by the applicable terms and conditions of, the Indenture.

(t) The Borrower will have a fee interest in the land and improvements on the Project, subject only to liens permitted under the Bond Mortgage.

(u) The Borrower acknowledges that (i) it understands the nature and structure of the transactions relating to the financing of the Project, (ii) it is familiar with the provisions of all of the documents and instruments relating to the financing, (iii) it understands the risks inherent in such transactions, including without limitation the risk of loss of the Project, and (iv) it has not relied on the Issuer, the Trustee, the Bondholder Representative or the Servicer for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by the Bond Financing Documents or otherwise relied on the Issuer, the Trustee, the Bondholder Representative or the Servicer in any manner.

Section 2.03 ***Representations and Warranties of the Trustee.*** The Trustee makes the following representations and warranties:

(a) The Trustee is a national banking association, duly organized and existing under the laws of the United States of America. The Trustee is duly authorized to act as a fiduciary and to execute the trust created by the Indenture, and meets the qualifications to act as Trustee under the Indenture.

(b) The Trustee has, to its best knowledge, complied with the provisions of law which are prerequisite to the consummation of, and has all necessary power (including trust powers) and authority (i) to execute and deliver this Financing Agreement and the other Bond Financing Documents to which it is a party, (ii) to perform its obligations under this Financing Agreement and the other Bond Financing Documents to which it is a party, and (iii) to consummate the transactions contemplated by this Financing Agreement and the other Bond Financing Documents to which it is a party.

(c) The Trustee has duly authorized (i) the execution and delivery of this Financing Agreement and the other Bond Financing Documents to which it is a party, (ii) the performance by the Trustee of its obligations under this Financing Agreement and the other Bond Financing Documents to which it is a party, and (iii) the actions of the Trustee contemplated by this Financing Agreement and the other Bond Financing Documents to which it is a party.

(d) Each of the Bond Financing Documents to which the Trustee is a party has been duly executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding obligation of the Trustee, enforceable against the Trustee in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(e) The Trustee meets the qualifications to act as Trustee under the Indenture.

(f) To the best knowledge of the Trustee, the Trustee has complied with the provisions of law which are prerequisites to the consummation of the transactions on the part of the Trustee described or contemplated in the Bond Financing Documents.

(g) To the best knowledge of the Trustee, no approval, permit, consent, authorization or order of any court, governmental agency or public board or body not already obtained is required to be obtained by the Trustee as a prerequisite to (i) the execution and delivery of this Financing Agreement and the other Bond Financing Documents to which the Trustee is a party, (ii) the authentication or delivery of the Bonds, (iii) the performance by the Trustee of its obligations under this Financing Agreement and the other Bond Financing Documents to which it is a party, or (iv) the consummation of the transactions contemplated by this Financing Agreement and the other Bond Financing Documents to which the Trustee is a party. The Trustee makes no representation or warranty relating to compliance with any federal or state securities laws.

Section 2.04 ***Arbitrage and Rebate Fund Calculations.*** The Borrower shall (a) take or cause to be taken all actions necessary or appropriate in order to fully and timely comply with Section 4.12 of the Indenture, and (b) if required to do so under Section 4.12 of the Indenture, select at the Borrower's expense, a Rebate Analyst reasonably acceptable to the Issuer for the purpose of making any and all calculations required under Section 4.12 of the Indenture.

Such calculations, if required, shall be made in the manner and at such times as specified in Section 4.12 of the Indenture. The Borrower shall cause the Rebate Analyst to provide such calculations to the Trustee and the Issuer at such times and with such directions as are necessary to comply fully with the arbitrage and rebate requirements set forth in the Indenture and to comply fully with Section 148 of the Code, including the timely payment of any arbitrage rebate owed.

Section 2.05 ***Tax Covenants of the Borrower.*** The Borrower covenants and agrees that it will at all times comply in all material respects with the terms of the Tax Certificate and the Land Use Restriction Agreement.

ARTICLE III
THE BOND MORTGAGE LOAN

Section 3.01 ***Conditions to Funding the Bond Mortgage Loan.*** On the Delivery Date, the Issuer shall cause the initial Bond proceeds to be deposited with the Trustee in accordance with Section 2.11 of the Indenture and Section 3.03 hereof. The Trustee shall use such proceeds as provided in Article II of the Indenture, provided that no disbursements of proceeds of the Bonds shall be made until the following conditions have been met:

(a) The Borrower shall have executed and delivered to the Issuer the Bond Mortgage Note and the Issuer shall have endorsed the Bond Mortgage Note to the Trustee;

(b) The Bond Mortgage shall have been executed and delivered by the Borrower and delivered to the title company for recording in the appropriate office for officially recording real estate documents in the jurisdiction in which the Project is located (the "**Recorder's Office**");

(c) The Land Use Restriction Agreement shall have been executed and delivered by the parties thereto and shall have been delivered to the title company for recording in the Recorder's Office, and the Trustee shall have received evidence of such delivery;

(d) All other Bond Financing Documents not listed above shall have been executed and delivered by all parties thereto and delivered to the Trustee and the Bondholder Representative;

(e) The Borrower shall have delivered to the Trustee, the Issuer and the Bondholder Representative a certificate confirming, as of the Delivery Date, the matters set forth in Section 2.02 hereof and an opinion of its counsel or other counsel satisfactory to the Trustee, the Issuer and the Bondholder Representative; and

(f) The Borrower shall deliver to the Trustee a completed requisition in the form attached hereto as Exhibit B (each a "**Requisition**"). The signature by the Service on the initial Requisition shall be deemed a determination (upon which the Trustee may conclusively rely) that all conditions precedent in this Financing Agreement and in the Indenture to a disbursement of Bond proceeds have been satisfied.

Section 3.02 ***Terms of the Bond Mortgage Loan; Servicing.*** (a) The Bond Mortgage Loan shall (i) be evidenced by the Bond Mortgage Note; (ii) be initially secured by the Bond Mortgage; (iii) be in the maximum principal amount of [$35,000,000]; (iv) bear interest as provided in the Bond Mortgage Note; (v) provide for principal and interest payments in accordance with the Bond Mortgage Note; and (vi) be subject to optional and mandatory prepayment at the times, in the manner and on the terms, and have such other terms and provisions, as provided herein and in the Bond Mortgage Note.

(b) The Bondholder Representative may appoint a mortgage servicer to service the Bond Mortgage Loan for all or a portion of the term of the Bond Mortgage Loan by written notice provided to the Issuer, the Trustee and the Borrower. The initial Servicer of the Bond Mortgage Loan is Berkadia Commercial Mortgage LLC.

(c) The Bondholder Representative may remove a Servicer or appoint a replacement Servicer, in its discretion, by written notice provided to the Servicer, the Issuer, the Trustee and the Borrower. During any period that a Servicer services the Bond Mortgage Loan, the Bondholder Representative may require that the Borrower make all payments in connection with the Bond Mortgage Loan to the Servicer and that the Servicer remit any such Bond Mortgage Loan Payment to the Trustee. The Issuer, the Trustee and the Borrower hereby acknowledge and agree that (i) the Bondholder Representative may appoint a Servicer to service and administer the Bond Mortgage Loan, (ii) the selection or removal of any Servicer is in the sole and absolute discretion of the Bondholder Representative; and (iii) neither the Issuer nor the Trustee shall terminate or attempt to terminate any Servicer as the servicer for the Bond Mortgage Loan or appoint or attempt to appoint a substitute servicer for the Bond Mortgage Loan.

Section 3.03 ***Initial Deposits.*** On the Delivery Date, proceeds of the Bonds in the amount of $_____ shall be advanced by the Initial Bondholder to the Title Company. Subject to the conditions listed in Section 3.01 hereof, amounts on deposit in the Bond Mortgage Loan Fund are to be disbursed to the Borrower or otherwise as provided in Section 2.11(d) of the Indenture.

To the extent that amounts in the Cost of Issuance Fund from the above-mentioned sources are insufficient to pay all costs of issuing the Bonds, the Borrower shall cause the payment of such additional costs of issuing the Bonds to be made on its behalf as such amounts become due.

Section 3.04 ***Assignment to Trustee.*** The parties hereto acknowledge, and the Borrower consents to, the assignment by the Issuer to the Trustee pursuant to the Indenture of all of the Issuer's right, title and interest in this Financing Agreement (excluding the Unassigned Rights), the Bond Mortgage Loan, the Bond Mortgage Note, the Bond Mortgage (which is being assigned to the Bondholder Representative as well as the Trustee, as their interests may appear) and the Revenues as security for the payment of the principal of, premium, if any, and interest on the Bonds and the payment of any other amounts due under the Bond Financing Documents.

Section 3.05 ***Investment of Funds.*** Except as otherwise provided in the Indenture, any money held as a part of any fund or account established under the Indenture shall be invested or reinvested by the Trustee in Qualified Investments in accordance with Section 4.08 of the Indenture.

Section 3.06 ***Damage; Destruction and Eminent Domain.*** If, prior to payment in full of the Bonds, the Project or any portion thereof is destroyed or damaged in whole or in part by fire or other casualty, or title to, or the temporary use of, the Project or any portion thereof shall have been taken by the exercise of the power of eminent domain, and the Issuer, the Borrower, the Trustee or the Servicer receives Net Proceeds from insurance or any condemnation award in connection therewith, such Net Proceeds shall be utilized as provided in the Bond Mortgage Loan Documents and the Indenture.

Section 3.07 ***Enforcement of Bond Financing Documents***

(a) The Trustee or the Bondholder Representative may enforce and take all reasonable steps, actions and the proceedings necessary for the enforcement of all terms, covenants and conditions of the Financing Agreement and the other Bond Financing Documents as and to the extent set forth herein and therein.

(b) The Issuer covenants that it will not, without the prior written consent of the Bondholder Representative, take any of the following actions:

(i) prosecute any action with respect to a lien on the Project; or

(ii) take any action which may have the effect, directly or indirectly, of impairing the ability of the Borrower to timely pay the principal of, interest on, or other amounts due under, the Bond Mortgage Loan or of causing the Borrower to file a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Borrower under any applicable liquidation, insolvency, bankruptcy, rehabilitation, composition, reorganization, conservation or other similar law in effect now or in the future; or

(iii) interfere with the exercise by the Trustee, the Bondholder Representative or the Servicer of any of their rights under the Bond Financing Documents upon the occurrence of an event of default by the Borrower under the Bond Financing Documents; or

(iv) take any action to accelerate or otherwise enforce payment or seek other remedies with respect to the Bond Mortgage Loan or the Bonds.

(c) Notwithstanding Section 3.07(b) hereof, the Issuer may:

(i) seek specific performance of the tax covenants of the Indenture, the Land Use Restriction Agreement, the Tax Certificate and this Financing Agreement, and seek injunctive relief against acts which may be in violation of any of the tax covenants, and enforce the Borrower's obligation to pay amounts for credit to the Rebate Fund; and

(ii) seek specific performance of the obligations of the Borrower or any other owner of the Project under the Land Use Restriction Agreement and injunctive relief against acts which may be in violation of the Land Use Restriction Agreement or otherwise in accordance with the provisions of the Land Use Restriction Agreement.

ARTICLE IV
LOAN PAYMENTS

Section 4.01 ***Payments Under the Bond Mortgage Note; Independent Obligation of Borrower***

(a) **Payment Obligations**. The Borrower agrees to repay the Bond Mortgage Loan on each Bond Mortgage Loan Payment Date as provided in the Bond Mortgage Note, and in all instances at the times and in the amounts necessary to enable the Trustee, on behalf of the Issuer, to pay all amounts payable with respect to the Bonds, when due, whether at maturity or upon redemption (with premium, if applicable), acceleration or otherwise. The obligation of the Borrower to make the payments set forth in this Article IV shall be an independent and separate obligation of the Borrower from its obligation to make payments under the Bond Mortgage Note, provided that in all events payments made by the Borrower under and pursuant to the Bond Mortgage Note shall be credited against the Borrower's obligations hereunder on a dollar for dollar basis. If for any reason the Bond Mortgage Note or any provision of the Bond Mortgage Note shall be held invalid or unenforceable against the Borrower by any court of competent jurisdiction, the Bond Mortgage Note or such provision of the Bond Mortgage Note shall be deemed to be the obligation of the Borrower pursuant to this Financing Agreement to the full extent permitted by law and such holding shall not invalidate or render unenforceable any of the provisions of this Article IV and shall not serve to discharge any of the Borrower's payment obligations hereunder or eliminate the credit against such obligations to the extent of payments made under the Bond Mortgage Note.

(b) **Obligations Unconditional; No Set-Off**. The obligations of the Borrower to repay the Bond Mortgage Loan, to perform all of its obligations under the Bond Mortgage Loan Documents, to provide indemnification pursuant to Section 6.01 hereof, to pay costs, expenses and charges pursuant to Section 4.02 hereof and to make any and all other payments required by this Financing Agreement, the Indenture or any other documents contemplated by this Financing Agreement or by the Bond Mortgage Loan Documents shall, subject to the limitations set forth in Section 4.06 hereof, be absolute and unconditional, and shall be paid or performed without notice or demand, and without abatement, deduction, set-off, counterclaim, recoupment or defense or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and irrespective of whether the Borrower's title to the Project or to any part thereof is defective or nonexistent, and notwithstanding any damage due to loss, theft or destruction of the Project or any part thereof, any failure of consideration or frustration of commercial purpose, the taking by eminent domain of title to or of the right of temporary use of all or any part of the Project, legal curtailment of the Borrower's use thereof, the eviction or constructive eviction of the Borrower, any change in the tax or other laws of the United States of America, the State or any political subdivision thereof, any change in the Issuer's legal organization or status, or any default of the Issuer or the Trustee hereunder or under any other Bond Financing Document, and regardless of the invalidity of any action of the Issuer or the invalidity of any portion of this Financing Agreement.

(c) **Payments from Borrower to Trustee or Servicer**. Each payment by the Borrower hereunder or under the Bond Mortgage Note shall be made in immediately available funds to the Trustee on each Bond Mortgage Loan Payment Date or such other date when such

payment is due; provided, however, such Bond Mortgage Loan Payment shall be made to the Servicer if the Borrower is so directed in writing by the Bondholder Representative. Each such payment shall be made to the Trustee or the Servicer, as applicable, by deposit to such account as the Trustee or the Servicer may designate by written notice to the Borrower. Whenever any Bond Mortgage Loan Payment or any other payment under this Financing Agreement or under the Bond Mortgage Note shall be stated to be due on a day that is not a Business Day, such payment shall be made on the first Business Day immediately thereafter.

Section 4.02 ***Additional Payments Under the Bond Mortgage Note and this Financing Agreement***

(a) In addition to the payments set forth in Section 4.01 hereof, payments to be made by the Borrower under the Bond Mortgage Note include certain money to be paid in respect of, among others, the Bond Fee Component, and amounts required to be deposited pursuant to the Continuing Covenant Agreement and the other Bond Mortgage Loan Documents, as set forth in subsection (b) of this Section 4.02. To the extent that any portion of the Bond Fee Component and amounts required to be deposited pursuant to the Continuing Covenant Agreement and the other Bond Mortgage Loan Documents remain due and owing at any time, such amounts remaining due and owing shall be payable from money on deposit in the Administration Fund as provided in Section 4.06 of the Indenture or from other money of the Borrower, to the extent that money in the Administration Fund is insufficient for such purposes. All other fees and expenses shall be payable from money of the Borrower as provided in subsection (b) of this Section 4.02.

(b) In addition to the funding of the initial deposits required of the Borrower described in Section 3.03, the Borrower shall pay (or cause to be paid by the Trustee, to the extent paid from money on deposit in the Administration Fund or the Cost of Issuance Fund, as applicable), in consideration of the funding of the Bond Mortgage Loan, the following fees, expenses and other money payable in connection with the Bond Mortgage Loan:

(i) On the Delivery Date, from the initial deposit advanced by the Initial Bondholder to the Title Company pursuant to Section 3.03 hereof or, to the extent such money is insufficient for such purpose, from other money of the Borrower, to Bondholder Representative, all third party and out-of-pocket expenses of Bondholder Representative (including but not limited to the fees and expenses of counsel to Bondholder Representative) in connection with the Bond Mortgage Loan.

(ii) On the Delivery Date, from the initial deposit advanced by the Initial Bondholder to the Title Company pursuant to Section 3.03 hereof or, to the extent such money is insufficient for such purpose, from other money of the Borrower, to the Issuer, an initial financing fee in an amount equal to the Issuer Fee, together with all third party and out-of-pocket expenses of the Issuer (including but not limited to the fees and expenses of counsel to the Issuer) in connection with the Bond Mortgage Loan and the issuance of the Bonds.

(iii) On the Delivery Date, from the initial deposit advanced by the Initial Bondholder to the Title Company pursuant to Section 3.03 hereof or, to the extent such money is insufficient for such purpose, from other money of the

Borrower, to the Trustee, an acceptance fee in an amount equal to [$2,500], together with all third party and out-of-pocket expenses of the Trustee (including but not limited to the fees, costs and expenses of counsel to the Trustee) in connection with the Bond Mortgage Loan and the issuance of the Bonds.

(iv) From money of the Borrower, to the Trustee, within two (2) Business Days of receipt from the Trustee of a notice of deficiency in the Administration Fund as provided in Section 4.06 of the Indenture, the amount of any such deficiency in the Administration Fund.

(v) From money on deposit in the Administration Fund or, to the extent such money is insufficient for such purpose, from other money of the Borrower, to the Trustee, the Ordinary Trustee's Fees and Expenses and the Extraordinary Trustee's Fees and Expenses when due from time to time.

(vi) From money on deposit in the Administration Fund or, to the extent such money is insufficient for such purpose, from other money of the Borrower, to the Issuer, the Issuer Fee when due and any extraordinary expenses not covered by the Issuer Fee the Issuer may incur in connection with the Bond Financing Documents or the Project from time to time.

(vii) From money on deposit in the Administration Fund or, to the extent such money is insufficient for such purpose, from other money of the Borrower, to the Rebate Analyst, the reasonable fees and expenses of such Rebate Analyst in connection with the computations relating to arbitrage rebate required under the Indenture and this Financing Agreement when due from time to time.

(viii) From money of the Borrower, to the Bondholder Representative, any unpaid fees, costs and expenses of the Bondholder Representative as provided in the Continuing Covenant Agreement.

(ix) From money of the Borrower, to the Servicer, any unpaid fees, costs and expenses of the Servicer as provided in the Continuing Covenant Agreement.

(x) From money of the Borrower, to the Servicer, the amounts required to be deposited in respect of reserves and impounds required under the Continuing Covenant Agreement and the other Bond Mortgage Loan Documents.

(c) In addition to the payments under the Bond Mortgage Loan, the Borrower shall also pay to the Issuer or to the Trustee, as the case may be, "Additional Payments," as follows:

(i) All taxes and assessments of any type or character charged to the Issuer or to the Trustee affecting the amount available to the Issuer or the Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character

having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Trustee and taxes based upon or measured by the net income of the Trustee; provided, however, that the Borrower shall have the right to protest any such taxes or assessments and to require the Issuer or the Trustee, at the Borrower's expense, to protest and contest any such taxes or assessments levied upon them and that the Borrower shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Issuer or the Trustee;

(ii) All reasonable fees, charges and expenses of the Trustee for services rendered under the Indenture and all amounts referred to in Section 7.06 of the Indenture, as and when the same become due and payable;

(iii) The reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Issuer or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under the Bond Mortgage Loan Documents or the Indenture; and

(iv) The fees of the Issuer set forth in Section 4.17 of the Indenture or set forth in the Land Use Restriction Agreement, and the reasonable fees and expenses of the Issuer or any agent or attorney selected by the Issuer to act on its behalf in connection with the Bond Mortgage Loan Documents, the Bonds or the Indenture, including, without limitation, any and all reasonable expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or in connection with any litigation, investigation or other proceeding which may at any time be instituted involving this Financing Agreement, the Land Use Restriction Agreement, the other Bond Mortgage Loan Documents, the Bonds or the Indenture or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of the foregoing.

(v) Any amounts due and payable by the Borrower as arbitrage rebate under Section 148 of the Code, pursuant to Borrower's covenants and agreements with respect thereto in the Tax Certificate.

(vi) These obligations and those in Section 6.1 shall remain valid and in effect notwithstanding repayment of the Loan hereunder or termination of this Financing Agreement or the Indenture.

(vii) Such Additional Payments shall be billed to the Borrower by the Issuer or the Trustee from time to time, together with a statement certifying that the amount billed has been incurred or paid by the Issuer or the Trustee for one or more of the above items. After such a demand, amounts so billed shall be paid by the Borrower within thirty (30) calendar days after the date of invoice. Notwithstanding the foregoing, the Issuer shall not be required to submit a bill to

the Borrower for payment of the Issuer's annual fee or any amounts due with respect to arbitrage rebate under Section 148 of the Code, the calculation and payment for which is the responsibility of the Borrower.

Section 4.03 ***Payments to Rebate Fund.*** The Borrower shall pay when due to the Trustee at the Principal Office of the Trustee any amount required to be deposited in the Rebate Fund in accordance with Section 4.12 of the Indenture.

Section 4.04 ***Prepayment of Bond Mortgage Loan***

(a) **Optional and Mandatory Prepayment of the Bond Mortgage Loan.** The Borrower shall have the option to prepay the Bond Mortgage Loan as provided in the Bond Mortgage Note in connection with an optional redemption of the Bonds. The Borrower shall be required to prepay the Bond Mortgage Loan as provided in the Bond Mortgage Note in connection with a mandatory redemption of the Bonds.

(b) **Deposit of Prepayment**. In connection with any prepayment of all or any portion of the outstanding balance of the Bond Mortgage Loan, the Borrower shall deposit funds with the Trustee an amount equal to the portion of the outstanding principal balance of the Bond Mortgage Loan being prepaid, plus accrued interest thereon to the date of prepayment, plus any Prepayment Premium due under the Bond Mortgage Note, together with a sum sufficient to pay all fees, costs and expenses in connection with such redemption and, in the case of redemption in whole, to pay all other amounts payable under this Financing Agreement, the Indenture and the other Bond Financing Documents. Such amounts shall be applied to the redemption of Bonds and to the payment of fees and expenses as provided in the Indenture and the other Bond Financing Documents.

(c) **Reduction of Bond Mortgage Loan Principal**. Any prepayment, whether voluntary or involuntary, shall not be credited against the unpaid principal balance of the Bond Mortgage Loan until the date on which the resulting redemption of a like amount of Bonds is completed.

Section 4.05 ***Borrower's Obligations Upon Redemption.*** In the event of any redemption, the Borrower will timely pay, or cause to be paid to the Trustee or the Servicer, as applicable pursuant to the Indenture, an amount equal to the principal amount of such Bonds or portions thereof called for redemption, together with interest accrued to the redemption date and premium, if any. In addition, the Borrower will timely pay all fees, costs and expenses associated with any redemption of Bonds.

Section 4.06 ***Limits on Personal Liability***

(a) Except as otherwise set forth in the Bond Mortgage Note and subsection 4.06(b) below, following the Conversion Date the obligations of the Borrower under this Financing Agreement and the other Bond Mortgage Loan Documents are non-recourse liabilities of the Borrower which shall be enforced only against the Project and other property of the Borrower encumbered by the Bond Mortgage Loan Documents and not personally against the Borrower or any partner or member of the Borrower or any successor or assign of the Borrower. However, nothing in this Section 4.06 shall limit the right of the Issuer, the Trustee, the Servicer or the

Bondholder Representative to proceed against the Borrower to recover any fees owing to any of them or any actual out of pocket expenses (including but not limited to actual out of pocket attorneys' fees incurred by any of them) incurred by any of them in connection with the enforcement of any rights under this Financing Agreement or the other Bond Mortgage Loan Documents. Nothing in this Section 4.06 shall limit any right that the Servicer or the Bondholder Representative may have to enforce the Bond Mortgage Note, the Bond Mortgage, or any other Bond Mortgage Loan Document in accordance with their terms.

(b) Notwithstanding anything contained in any other provision of this Financing Agreement to the contrary (but subject to the provisions of Section 3.07 hereof), the following obligations of the Borrower shall be and remain full recourse obligations of the Borrower, payable from and enforceable against any and all income, assets and properties of the Borrower: (i) the Borrower's obligations to the Issuer and the Trustee under subsections (b)(ii), (b)(iv), (b)(vi), and (b)(vii) of Section 4.02 hereof; (ii) the Borrower's obligations under Sections 2.05 and 6.01 of this Financing Agreement; (iii) the Borrower's obligation to pay any and all rebate amounts that may be or become owing with respect to the Bonds and fees and expenses of the Rebate Analyst as provided in Sections 2.04 and 4.03 of this Financing Agreement and the Tax Certificate; and (iv) the Borrower's obligation to pay legal fees and expenses under Section 7.04 hereof.

ARTICLE V
SPECIAL COVENANTS OF BORROWER

Section 5.01 ***Performance of Obligations.*** The Borrower shall keep and faithfully perform all of its covenants and undertakings contained herein and in the Bond Financing Documents, including, without limitation, its obligations to make all payments set forth herein and therein in the amounts, at the times and in the manner set forth herein and therein.

Section 5.02 ***Compliance With Applicable Laws.*** All work performed in connection with the Project shall be performed in strict compliance with all applicable federal, state, county and municipal laws, ordinances, rules and regulations now in force or that may be enacted hereafter.

Section 5.03 ***Indenture Provisions.*** The execution of this Financing Agreement shall constitute conclusive evidence of approval of the Indenture by the Borrower. Whenever the Indenture by its terms imposes a duty or obligation upon the Borrower, such duty or obligation shall be binding upon the Borrower to the same extent as if the Borrower were an express party to the Indenture, and the Borrower shall carry out and perform all of its obligations under the Indenture as fully as if the Borrower were a party to the Indenture.

Section 5.04 ***Reserved***

Section 5.05 ***Borrower to Maintain Its Existence; Certification of No Default.*** The Borrower agrees to maintain its existence and maintain its current legal status with authority to own and operate the Project.

Section 5.06 ***Borrower to Remain Qualified in State and Appoint Agent.*** The Borrower will remain duly qualified to transact business in the State and will maintain an agent in the State on whom service of process may be made in connection with any actions against the Borrower.

Section 5.07 ***Sale or Other Transfer of Project.*** The Borrower may convey and transfer the Project only upon strict compliance with the provisions of the Land Use Restriction Agreement and the Bond Mortgage Loan Documents, and upon receipt of the prior written consent of the Bondholder Representative.

Section 5.08 ***Right to Perform Borrower's Obligations.*** In the event the Borrower fails to perform any of its obligations under this Financing Agreement, the Issuer, the Trustee, the Servicer and/or the Bondholder Representative, after giving requisite notice, if any, and subject to Section 5.05 of the Indenture, may, but shall be under no obligation to, perform such obligation and pay all costs related thereto, and all such costs so advanced by the Issuer, the Trustee, the Bondholder Representative or the Servicer shall become an additional obligation of the Borrower hereunder, payable on demand and if not paid on demand with interest thereon at the default rate of interest payable under the Bond Mortgage Loan Documents.

Section 5.09 ***Notice of Certain Events.*** The Borrower shall promptly advise the Issuer, the Trustee, the Bondholder Representative and the Servicer in writing of the occurrence of any Event of Default hereunder or any event which, with the passage of time or service of notice or both, would constitute an Event of Default, specifying the nature and period of existence of such event and the actions being taken or proposed to be taken with respect thereto.

Section 5.10 ***Survival of Covenants.*** The provisions of Sections 2.04, 2.05, 4.02, 4.03, 6.01 and 7.04 hereof shall survive the expiration or earlier termination of this Financing Agreement and, with regard to the Trustee, the resignation or removal of the Trustee.

Section 5.11 ***Access to Project; Records***. Subject to reasonable notice and the rights of tenants at the Project, the Issuer, the Trustee, the Servicer and the Bondholder Representative, and the respective duly authorized agents of each, shall have the right (but not any duty or obligation) at all reasonable times and during normal business hours: (a) to enter the Project and any other location containing the records relating to the Borrower, the Project, the Bond Mortgage Loan and the Borrower's compliance with the terms and conditions of the Bond Financing Documents; (b) to inspect and audit any and all of the Borrower's records or accounts pertaining to the Borrower, the Project, the Bond Mortgage Loan and the Borrower's compliance with the terms and conditions of the Bond Financing Documents; and (c) to require the Borrower, at the Borrower's sole expense, (i) to furnish such documents to the Issuer, the Trustee, the Servicer and the Bondholder Representative, as the Issuer, the Trustee, the Servicer or the Bondholder Representative, as the case may be, from time to time, deems reasonably necessary in order to determine that the provisions of the Bond Financing Documents have been complied with and (ii) to make copies of any records that the Issuer, the Trustee, the Servicer or the Bondholder Representative or the respective duly authorized agents of each, may reasonably require. The Borrower shall make available to the Issuer, the Trustee, the Servicer and the Bondholder Representative, such information concerning the Project, the Bond Mortgage and the Bond Financing Documents as any of them may reasonably request.

Section 5.12 ***Land Use Restriction Agreement.*** The covenants of the Borrower in the Land Use Restriction Agreement shall be deemed to constitute covenants of the Borrower running with the land and an equitable servitude for the benefit of the owners of the Bonds and shall be binding upon any owners of the Project until such time as such restrictions expire as provided in the Land Use Restriction Agreement. The Borrower covenants to file of record the Land Use Restriction Agreement and such other documents and take such other steps as are necessary in order to assure that the restrictions contained in the Land Use Restriction Agreement will, subject to the terms of the Land Use Restriction Agreement, be binding upon all owners of the Project. The Borrower covenants to include such restrictions or a reference to such restrictions in any documents transferring any interest in the Project to another to the end that such transferee has notice of, and is bound by, the Land Use Restriction Agreement. Subject to the provisions of Section 5.05 of the Indenture, the Issuer and the Trustee shall have the right to seek specific performance of or injunctive relief to enforce the requirements of any covenants of the Borrower contained in the Land Use Restriction Agreement or this Financing Agreement.

Section 5.13 ***Damage, Destruction and Condemnation***. If prior to full payment of the Bonds (or provision for payment of the Bonds in accordance with the provisions of the Indenture) the Project or any portion of it is destroyed (in whole or in part) or is damaged by fire or other casualty, or title to, or the temporary use of, the Project or any portion of it shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or shall be transferred pursuant to an agreement or settlement in lieu of eminent domain proceedings, the Borrower shall nevertheless be obligated to continue to pay the amounts specified in this Financing Agreement and in the Bond Mortgage Note to the extent the Bond Mortgage Loan is not prepaid in accordance with the terms of the Bond Mortgage Loan Documents.

Section 5.14 ***Obligation of the Borrower To Acquire and Renovate the Project.*** The Borrower shall proceed with reasonable dispatch to complete the acquisition and renovation of the Project. If amounts on deposit in the Bond Mortgage Loan Fund designated for the Project and available to be disbursed to the Borrower are not sufficient to pay the costs of such acquisition and renovation, the Borrower shall pay such additional costs from its own funds. The Borrower shall not be entitled to any reimbursement from the Issuer, the Trustee, the Servicer, the Bondholder Representative or the Bondholders in respect of any such costs or to any diminution or abatement in the repayment of the Bond Mortgage Loan. Neither of the Trustee nor the Issuer makes any representation or warranty, either express or implied, that money, if any, which will be paid into the Bond Mortgage Loan Fund or otherwise made available to the Borrower will be sufficient to complete the Project, and neither of the Trustee nor the Issuer shall be liable to the Borrower, the Bondholders or any other person if for any reason the Project is not completed.

Section 5.15 ***Filing of Financing Statements.*** The Borrower shall file or record or cause to be filed or recorded on or prior to the Delivery Date all UCC financing statements which are required to be filed or recorded in order fully to protect and preserve the security interests relating to the priority of the Bond Mortgage Loan, the Trust Estate and the Bond Mortgage, and the rights and powers of the Issuer, the Trustee and the Bondholder Representative in connection with such security interests. The Borrower shall cooperate with the Trustee in connection with the filing of any continuation statements for the purpose of continuing

without lapse the effectiveness of such financing statements, provided that the Trustee's role under this Section, if any, is expressly subject to Section 7.17 of the Indenture.

ARTICLE VI
INDEMNIFICATION

Section 6.01 ***Indemnification***

(a) **Indemnified Losses**. To the fullest extent permitted by law, the Borrower agrees to indemnify, hold harmless and defend the Issuer, the Trustee, the Servicer, the Bondholder Representative and each of their respective officers, governing members, directors, officials, employees, attorneys and agents (collectively, the "**Indemnified Parties**"), against any and all losses, damages (including, but not limited to, consequential and punitive damages), claims, actions, liabilities, costs and expenses of any conceivable nature, kind or character (including, without limitation, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) to which the Indemnified Parties, or any of them, may become subject under federal or state securities laws or any other statutory law or at common law or otherwise (collectively, "**Losses**"), to the extent arising, directly or indirectly, out of or based upon or in any way relating to:

(i) any breach by the Borrower of its obligations under the Bond Financing Documents or the execution, amendment, restructuring or enforcement thereof, or in connection with transactions contemplated thereby, including the issuance, sale, transfer or resale of the Bonds;

(ii) any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Bond Mortgage Loan or the Project, the operation of the Project, or the condition, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition, installation, construction, renovation, or equipping of, the Project or any part thereof;

(iii) any accident, injury to, or death of persons or loss of or damage to property occurring in, on or about the Project or any part thereof;

(iv) any lien (other than liens permitted under the Continuing Covenant Agreement) or charge upon payments by the Borrower to the Issuer, the Trustee or the Servicer hereunder, or any Taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, Impositions and other charges imposed on the Issuer or the Trustee in respect of any portion of the Project (other than income and similar taxes on fees received or earned in connection therewith);

(v) any violation of any environmental law, rule or regulation with respect to, or the release of any Hazardous Substances from, the Project or any part thereof;

(vi) [Reserved];

(vii) the enforcement of, or any action taken by the Issuer, the Trustee or the Bondholder Representative related to remedies under this Financing Agreement, the Indenture or any other Bond Financing Document;

(viii) any untrue statement of a material fact or alleged untrue statement of a material fact by the Borrower contained in any offering statement or document for the Bonds or any of the Bond Financing Documents to which the Borrower is a party, or any omission or alleged omission by the Borrower of a material fact from any offering statement or document for the Bonds necessary to be stated therein in order to make the statements made therein by the Borrower, in the light of the circumstances under which they were made, not misleading;

(ix) any declaration of taxability of interest on the Bonds or allegations (or regulatory inquiry) that interest on the Bonds is includable in gross income for federal income tax purposes;

(x) any audit or inquiry by the Internal Revenue Service with respect to the Project and/or the tax-exempt status of the Bonds; or

(xi) the Trustee's acceptance or administration of the trust of the Indenture, or the exercise or performance of any of its powers or duties thereunder or under any of the documents relating to the Bonds to which it is a party;

except (A) in the case of the foregoing indemnification of the Trustee, or any of its respective officers, commissioners, members, directors, officials, employees, attorneys and agents, to the extent such Losses are caused by the negligence, unlawful acts or willful misconduct of such Indemnified Party; or (B) in the case of the foregoing indemnification of the Servicer, the Bondholder Representative or the Issuer or any of their respective officers, commissioners, members, directors, officials, employees, attorneys and agents, to the extent such Losses are caused by the gross negligence or willful misconduct of such Indemnified Party.

(b) **Procedures**. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from such Indemnified Party, shall assume the investigation and defense thereof, including the employment of counsel selected or approved by the Indemnified Party, and shall assume the payment of all expenses related thereto, with full power to litigate, compromise or settle the same in its sole discretion; provided that such Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement. Each Indemnified Party shall have the right to employ separate counsel in any such action or proceeding and to participate in the investigation and defense thereof. The Borrower shall pay the reasonable fees and expenses of such separate counsel; provided, however, that such Indemnified Party may employ separate counsel at the expense of the Borrower only if, in such Indemnified Party's good faith judgment, a conflict of interest exists by reason of common representation or if all parties commonly represented do not agree as to the action (or inaction) of counsel.

(c) **Borrower to Remain Obligated**. Notwithstanding any transfer of the Project to another owner in accordance with the provisions of this Financing Agreement, the Bond Mortgage and the Land Use Restriction Agreement, the Borrower shall remain obligated to

indemnify each Indemnified Party pursuant to this Section 6.01 for Losses with respect to any claims based on actions or events occurring prior to the date of such transfer unless (i) such subsequent owner assumed in writing at the time of such transfer all obligations of the Borrower under this Section 6.01 (including obligations under this Section 6.01 for Losses with respect to any claims based on actions or events occurring prior to the date of such transfer) and (ii) any such transfer is in compliance with the requirements of the Bond Financing Documents.

(d) **Survival**. The provisions of this Section 6.01 and the rights of any persons to indemnity hereunder and rights to payment of fees and reimbursement of expenses pursuant this Financing Agreement shall survive the final payment or defeasance of the Bonds and in the case of the Trustee any resignation or removal. The provisions of this Section 6.01 shall survive the termination of this Financing Agreement.

Section 6.02 ***Limitation With Respect to the Bondholder Representative.*** Notwithstanding anything in this Financing Agreement to the contrary, in the event that the Bondholder Representative shall become the owner of the Project as a result of a foreclosure or a deed in lieu of foreclosure, or comparable conversion of the Bond Mortgage Loan, the Bondholder Representative shall not be liable for any breach or default of any prior owner of the Project under this Financing Agreement and shall only be responsible for defaults and obligations incurred or occurring during the period that the Bondholder Representative is the owner of the Project. Accordingly, during any period that the Bondholder Representative owns the Project and that this Article VI is applicable to the Bondholder Representative, the Bondholder Representative's obligations under this Article VI shall be limited to acts and omissions of the Bondholder Representative occurring during the period of the Bondholder Representative's ownership of the Project.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES

Section 7.01 ***Events of Default.*** The following shall be "**Events of Default**" under this Financing Agreement and the term "Event of Default" shall mean, whenever it is used in this Financing Agreement, one or all of the following events:

(a) Any representation or warranty made by the Borrower in the Bond Financing Documents or any certificate, statement, data or information furnished by the Borrower in connection therewith or included by the Borrower in its application to the Issuer for assistance proves at any time to have been incorrect when made in any material respect;

(b) Failure by the Borrower to pay any amounts due under this Financing Agreement, the Bond Mortgage Note or the Bond Mortgage at the times and in the amounts required by this Financing Agreement, the Bond Mortgage Note and the Bond Mortgage, as applicable (after taking into account any applicable cure period thereunder);

(c) The Borrower shall fail to observe or perform any other term, covenant, condition or agreement (after taking into account any applicable cure period) set forth in this Financing Agreement, which failure continues for a period of 30 days after notice of such failure by the Issuer, the Trustee or the Bondholder Representative to the Borrower

(unless such default cannot with due diligence be cured within 30 days but can be cured within a reasonable period and will not, in the Bondholder Representative's sole discretion, adversely affect the Bondholder Representative or result in impairment of this Financing Agreement or any other Bond Financing Document, in which case no Event of Default shall be deemed to exist so long as Borrower shall have commenced to cure the default or Event of Default within 30 days after receipt of notice, and thereafter diligently and continuously prosecutes such cure to completion); provided, however, no such notice or grace periods shall apply in the case of any such failure which could, in the Bondholder Representative's judgment, absent immediate exercise by the Bondholder Representative of a right or remedy under this Agreement, result in harm to the Bondholder Representative, impairment of this Financing Agreement or any other Bond Financing Document;

(d) The occurrence of a default under the Continuing Covenant Agreement, the Construction Funding Agreement, the Bond Mortgage or any other Bond Financing Document (after taking into account any applicable cure period thereunder) shall at the discretion of the Bondholder Representative constitute an Event of Default under this Financing Agreement but only if the Trustee is provided written notice thereof by the Bondholder Representative that an Event of Default has occurred under such Bond Financing Document and the Trustee is instructed by the Bondholder Representative that such default constitutes an Event of Default hereunder. The occurrence of an Event of Default hereunder shall in the discretion of the Bondholder Representative constitute a default under the other Bond Financing Documents.

Nothing contained in this Section 7.01 is intended to amend or modify any of the provisions of the Bond Financing Documents or to bind the Issuer, the Trustee, the Servicer or the Bondholder Representative to any notice and cure periods other than as expressly set forth in the Bond Financing Documents. The tender of a cure by the Limited Partner or its designee(s) shall be accepted as if tendered by the Borrower.

Section 7.02 ***Remedies on Default.*** Subject to Section 7.06 hereof, whenever any Event of Default hereunder shall have occurred and be continuing, the Bondholder Representative (or the Trustee at the written direction of the Bondholder Representative), may (but shall not be obligated to) take any one or more of the following remedial steps:

(a) The Bondholder Representative (or the Trustee at the written direction of the Bondholder Representative) may (but shall not be obligated to) take such action, without notice or demand, as the Bondholder Representative deems advisable to protect and enforce its rights against the Borrower and in and to the Project, including declaring the Bond Mortgage Loan to be immediately due and payable (including, without limitation, declaring the principal of, Prepayment Premium, if any, and interest on and all other amounts due on the Bond Mortgage Note to be immediately due and payable).

(b) The Bondholder Representative (or the Trustee at the written direction of the Bondholder Representative) may (but shall not be obligated to), without being required to give any notice (other than to the Issuer or the Trustee, as applicable), except as provided herein, pursue all remedies of a creditor under the laws of the State, as supplemented and amended, or any other applicable laws.

(c) The Bondholder Representative (or the Trustee at the written direction of the Bondholder Representative) may (but shall not be obligated to) take whatever action at law or in equity may appear necessary or desirable to collect the payments due under this Financing Agreement then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Borrower under this Financing Agreement.

In addition, subject to Section 7.06 hereof, the Issuer and the Trustee may (but shall not be obligated to) pursue remedies with respect to the Unassigned Rights.

Any amounts collected pursuant to Article IV hereof and any other amounts which would be applicable to payment of principal of and interest and any premium on the Bonds collected pursuant to action taken under this Section 7.02 shall be applied in accordance with the provisions of the Indenture.

Section 7.03 ***No Remedy Exclusive*[; *Rights are Not Duties*].** No remedy conferred upon or reserved to the Issuer or the Trustee by this Financing Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be expressly required by this Financing Agreement. The parties hereto agree that, notwithstanding anything to the contrary in this Financing Agreement or the other Financing Documents, the right or authorization of the Trustee to perform or take any action under this Financing Agreement or any of the Financing Documents (including, without limitation, taking or pursuing any remedy or enforcement action, including pursuant to any written instruction or direction) is not and shall not be deemed or construed to be a duty, requirement, responsibility, obligation, instruction or direction to perform or take such action, and the Truste shall have no liability or responsibility (financial or otherwise, under this Financing Agreement, any of the Financing Documents, or otherwise) for any failure or delay in performing or taking any such action.

Section 7.04 ***Agreement to Pay Attorneys' Fees and Expenses.*** In the event the Borrower should default under any of the provisions of this Financing Agreement and the Issuer, the Trustee, the Servicer or the Bondholder Representative should employ attorneys or incur other expenses for the collection of loan payments or the enforcement of performance or observance of any obligation or agreement on the part of the Borrower contained in this Financing Agreement or in the Bond Mortgage Note, the Borrower shall on demand therefor reimburse the reasonable fees of such attorneys and such other expenses so incurred.

Section 7.05 ***No Additional Waiver Implied by One Waiver.*** In the event any agreement contained in this Financing Agreement should be breached by any party and thereafter

waived by the other parties, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 7.06 ***Control of Proceedings***

(a) If an Event of Default has occurred and is continuing, notwithstanding anything to the contrary herein, the Bondholder Representative shall have the sole and exclusive right at any time to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Financing Agreement, or for the appointment of a receiver or any other proceedings hereunder, in accordance with the provisions of law and of this Financing Agreement. In addition, the Bondholder Representative shall have the sole and exclusive right at any time to directly enforce all rights and remedies hereunder and under the other Financing Documents with or without the involvement of the Trustee or the Issuer. In no event shall the exercise of any of the foregoing rights result in an acceleration of the Bond Mortgage Loan without the express written direction of the Bondholder Representative.

(b) The Issuer and the Trustee covenant that they will not, without the prior written consent of the Bondholder Representative, take any of the following actions:

(i) prosecute any action with respect to a lien on the Project; or

(ii) initiate or take any action which may have the effect, directly or indirectly, of impairing the ability of the Borrower to timely pay the principal of, interest on, or other amounts due under, the Bond Mortgage Loan; or

(iii) interfere with or attempt to influence the exercise by the Bondholder Representative of any of its rights under the Bond Financing Documents upon the occurrence of any event of default by the Borrower under the Bond Financing Documents; or

(iv) take any action to accelerate or otherwise enforce payment or seek other remedies with respect to the Bond Mortgage Loan or the Bonds.

(c) Notwithstanding Sections 7.06(a) and 7.06(b) hereof, the Issuer or the Trustee may:

(i) specifically enforce the tax covenants of the Borrower specified in Sections 2.04 and 2.05 hereof or seek injunctive relief against acts which may be in violation thereof;

(ii) specifically enforce the Land Use Restriction Agreement or seek injunctive relief against acts which may be in violation of the Land Use Restriction Agreement or are otherwise inconsistent with the operation of the Project in accordance with applicable requirements of the Internal Revenue Code and state law (but in neither the case of subsection (c)(i) above or this subsection (c)(ii) may the Issuer or the Trustee seek any form of monetary damages from the Borrower in connection with such enforcement).

In addition, notwithstanding Sections 7.06(a) and 7.06(b) hereof, the Issuer and the Trustee may (but shall not be obligated to) seek specific performance of the other Unassigned Rights (provided no monetary damages are sought), and nothing herein shall be construed to limit the rights of the Issuer, the Trustee or any Indemnified Party related to the Issuer or the Trustee under Section 6.01 (each a "Related Indemnified Party") to enforce their respective rights against the Borrower under Sections 4.02, 4.03, 6.01 and 7.04 hereof, provided that no obligation of the Borrower to the Issuer, the Trustee or any Related Indemnified Party under such sections shall be secured by or in any manner constitute a lien on, or security interest in, the Project, whether in favor of the Issuer, the Trustee or any Related Indemnified Party, and all such obligations are and shall be subordinate in priority, in right to payment and in all other respects to all other obligations, liens, rights (including without limitation the right to payment) and interests arising or created under the Financing Documents (except for the Trustee's right to receive payment of reasonable fees and expenses pursuant to Section 6.05(a) of the Indenture after an event of default with respect to the Bonds, which reasonable fees and expenses of the Trustee shall be payable as provided thereunder). Accordingly, none of the Issuer, the Trustee or any Related Indemnified Party shall have the right to enforce any monetary obligation arising under such sections other than directly against the Borrower, without recourse to the Project. In addition, any such enforcement must not cause the Borrower to file a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Borrower under any applicable liquidation, insolvency, bankruptcy, construction, composition, reorganization, conservation or other similar law in effect now or in the future.

Section 7.07 ***Assumption of Obligations***. In the event that the Trustee, the Bondholder Representative or the Bondholders or their respective assignee or designee shall become the legal or beneficial owner of the Project by foreclosure or deed in lieu of foreclosure, such party shall succeed to the rights and the obligations of the Borrower under this Financing Agreement, the Bond Mortgage Note, the Land Use Restriction Agreement, and any other Bond Financing Documents to which the Borrower is a party. Such assumption shall be effective from and after the effective date of such acquisition and shall be made with the benefit of the limitations of liability set forth therein and without any liability for the prior acts of the Borrower.

ARTICLE VIII
MISCELLANEOUS

Section 8.01 ***Notices***

(a) Whenever in this Financing Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Any notice, request, complaint, demand, communication or other paper required or permitted to be delivered to the Issuer, the Trustee, the Bondholder Representative, the Borrower, the Limited Partner or the Servicer shall be sufficiently given and shall be deemed given (unless another form of notice shall be specifically set forth herein) on the Business Day following the date on which such notice or other communication shall have been delivered to a

national overnight delivery service (receipt of which to be evidenced by a signed receipt from such overnight delivery service) addressed to the appropriate party at the addresses set forth in Section 11.05 of the Indenture or upon receipt of such notice or other communication delivered by facsimile transmission as required or permitted by this Financing Agreement (receipt of which shall be evidenced by confirmation of transmission). The Issuer, the Trustee, the Bondholder Representative, the Borrower, the Limited Partner or the Servicer may, by notice given as provided in this paragraph, designate any further or different address to which subsequent notices or other communication shall be sent.

A duplicate copy of each notice or other communication given hereunder by any party to the Servicer shall also be given to the Bondholder Representative and a duplicate copy of each notice or other communication given hereunder by any party to the Bondholder Representative shall be given to the Servicer.

The Trustee agrees to accept and act upon facsimile transmission or Electronic Notice of written instructions and/or directions pursuant to this Financing Agreement.

(b) The Trustee shall provide to the Bondholder Representative and the Servicer (i) prompt notice of the occurrence of any Event of Default hereunder of which it has received written notice, and (ii) any written information or other communication received by the Trustee hereunder within ten (10) Business Days of receiving a written request from the Bondholder Representative for any such information or other communication.

Section 8.02 ***Concerning Successors and Assigns.*** All covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the financing herein contemplated and shall continue in full force and effect so long as the obligations hereunder are outstanding. Whenever in this Financing Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all covenants, promises and agreements by or on behalf of the Borrower which are contained in this Financing Agreement shall bind its successors and assigns and inure to the benefit of the successors and assigns of the Issuer, the Trustee, the Servicer and the Bondholder Representative.

Section 8.03 ***Choice of Law and Venue.*** This Financing Agreement and the Bonds are contracts made under the laws of the State of Illinois and shall be governed by and construed in accordance with the Constitution and laws applicable to contracts made and performed in the State of Illinois, excluding its conflict of laws rules to the extent such rules would apply the law of another jurisdiction. This Financing Agreement and the Bonds shall be enforceable in the State of Illinois, and any action arising out of this Financing Agreement or the Bonds shall be filed and maintained in Cook County, Illinois, unless the Issuer waives this requirement.

Section 8.04 ***Modifications in Writing.*** Modification or the waiver of any provisions of this Financing Agreement or consent to any departure by the parties therefrom, shall in no event be effective unless the same shall be in writing approved by the parties hereto and shall require the prior written consent of the Bondholder Representative and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given and so long as the interests of any Bondholders are not adversely affected and the Trustee

consents in writing thereto. No notice to or demand on the Borrower in any case shall entitle it to any other or further notice or demand in the same circumstances.

Section 8.05 ***Further Assurances and Corrective Instruments.*** The Issuer, the Trustee and the Borrower agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required (including such supplements or further instruments requested by the Bondholder Representative) for correcting any inadequate or incorrect description of the performance of this Financing Agreement.

Section 8.06 ***Captions.*** The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Financing Agreement.

Section 8.07 ***Entire Agreement; Severability.*** This Financing Agreement and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersedes all prior agreements and understandings, oral or written. The invalidity or unenforceability of any provision of this Financing Agreement shall not affect the validity of any other provision, and all other provisions shall remain in full force and effect.

Section 8.08 ***Counterparts.*** This Financing Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 8.09 ***Amounts Remaining in Bond Fund or Other Funds.*** It is agreed by the parties hereto that any amounts remaining in the Bond Fund or other funds and accounts established under the Indenture upon expiration or sooner termination of the term hereof, shall be paid in accordance with the Indenture.

Section 8.10 ***Effective Date and Term.*** This Financing Agreement shall become effective upon its execution and delivery by the parties hereto, shall be effective and remain in full force from the date hereof, and, subject to the provisions hereof, shall expire on such date as the Indenture shall terminate.

Section 8.11 ***Cross References.*** Any reference in this Financing Agreement to an "Exhibit," an "Article," a "Section," a "Subsection" or a "Paragraph" shall, unless otherwise explicitly provided, be construed as referring, respectively, to an exhibit attached to this Financing Agreement, an article of this Financing Agreement, a section of this Financing Agreement, a subsection of the section of this Financing Agreement in which the reference appears and a paragraph of the subsection within this Financing Agreement in which the reference appears. All exhibits attached to or referred to in this Financing Agreement are incorporated by reference into this Financing Agreement.

Section 8.12 ***Bondholder Representative and Servicer as Third-Party Beneficiaries.*** The parties hereto agree and acknowledge that the Bondholder Representative and the Servicer are third party beneficiaries of this Financing Agreement.

Section 8.13 ***Waiver of Personal Liability.*** No member, officer, agent or employee of the Issuer or any of its program participants or any director, officer, agent or employee of the Borrower shall be individually or personally liable for the payment of any principal (or redemption price) or interest on the Bonds or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Financing Agreement; but nothing herein contained shall relieve any such member, director, officer, agent or employee from the performance of any official duty provided by law or by this Financing Agreement.

Section 8.14 ***Non-Liability of Issuer.*** The Issuer shall not be obligated to pay the principal (or redemption price) of or interest on the Bonds, except from Revenues and other money and assets received by the Trustee on behalf of the Issuer pursuant to this Financing Agreement. Neither the faith and credit nor the taxing power of the State or any political subdivision thereof, nor the faith and credit of the Issuer or any member is pledged to the payment of the principal (or redemption price) or interest on the Bonds. The Issuer shall not be liable for any costs, expenses, losses, damages, claims or actions, of any conceivable kind on any conceivable theory, under or by reason of or in connection with this Financing Agreement, the Bonds or the Indenture, except only to the extent amounts are received for the payment thereof from the Borrower under this Financing Agreement.

The Borrower hereby acknowledges that the Issuer's sole source of money to repay the Bonds will be provided by the payments made by the Borrower pursuant to this Financing Agreement, together with investment income on certain funds and accounts held by the Trustee under the Indenture, and hereby agrees that if the payments to be made hereunder shall ever prove insufficient to pay all principal (or redemption price) and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Trustee, the Borrower shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal (or redemption price) or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Trustee, the Borrower, the Issuer or any third party, subject to any right of reimbursement from the Trustee, the Issuer or any such third party, as the case may be, therefor.

Section 8.15 ***No Liability of Officers.*** No recourse under or upon any obligation, covenant, or agreement or in any Bonds, or under any judgment obtained against the Issuer, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise or under any circumstances, shall be had against any incorporator, member, director, commissioner, employee, agent or officer, as such, past, present, or future, of the Issuer, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Bonds, of any sum that may be due and unpaid by the Issuer upon any of the Bonds. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director, commissioner, employee, agent or officer, as such, to respond by reason of any act or omission on his or her part or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to the Owner of any Bonds, of any sum that may remain due and unpaid upon the Bonds or any of them, is hereby expressly waived and released

as a condition of and consideration for the execution of this Financing Agreement and the issuance of the Bonds.

Section 8.16 ***Capacity of the Trustee.*** Notwithstanding anything else to the contrary in this Financing Agreement or any of the other Financing Documents, the Trustee is entering into this Financing Agreement solely in its capacity as Trustee and shall be entitled to the rights, protections, limitations from liability, indemnities and immunities afforded it as Trustee under the Indenture, and all such provisions are incorporated into this Financing Agreement by reference as if such provisions were fully set forth herein. The Trustee shall be responsible only for the duties of the Trustee specifically expressly set forth herein and in the Indenture.

Section 8.17 ***Foreign Account Compliance Act Compliance.*** The Issuer acknowledged in the Indenture and the Borrower acknowledges herein that, under the provisions of the Foreign Account Tax Compliance Act, the Trustee is obligated to withhold a percentage of the proceeds from any disbursement to a payee that has not delivered to the Trustee a tax identification number on a correctly completed IRS Form W-9.. If requested by the Trustee, the Issuer and the Borrower shall each provide the Trustee with a copy of any such completed Form W-9 form for the initial disbursement to any payee pursuant to any provision of the Indenture.

Section 8.18 ***Reliance.*** The representations, covenants, agreements and warranties set forth in this Financing Agreement may be relied upon by the Issuer, the Trustee, Bond Counsel, the Servicer and the Bondholder Representative. In performing their duties and obligations under this Financing Agreement and under the Indenture, the Issuer and the Trustee may rely upon statements and certificates of the Borrower, upon certificates of tenants believed to be genuine and to have been executed by the proper person or persons, and upon audits of the books and records of the Borrower pertaining to occupancy of the Project. In addition, the Issuer and the Trustee may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Issuer or the Trustee under this Financing Agreement and under the Indenture in good faith and in conformity with the opinion of such counsel. It is expressly understood and agreed by the parties to this Financing Agreement (other than the Issuer) that:

(a) the Issuer may rely conclusively on the truth and accuracy of any certificate, opinion, notice or other instrument furnished to the Issuer by the Trustee, any Bondholder or the Borrower as to the existence of a fact or state of affairs required under this Financing Agreement to be noticed by the Issuer;

(b) the Issuer shall not be under any obligation to perform any record keeping or to provide any legal service, it being understood that such services shall be performed or caused to be performed by the Trustee, the Bondholder Representative, the Servicer or the Borrower, as applicable; and

(c) none of the provisions of this Financing Agreement shall require the Issuer or the Trustee to expend or risk its own funds (apart from the proceeds of Bonds issued under the Indenture) or otherwise endure financial liability in the performance of any of its duties or in the exercise of any of its rights under this Financing Agreement, unless it

shall first have been adequately indemnified to its satisfaction against the costs, expenses and liabilities which may be incurred by taking any such action.

IN WITNESS WHEREOF, the parties hereto have executed this Financing Agreement, all as of the date first set forth above.

CITY OF CHICAGO, as Issuer

By:_____
Name:
Title:

UMB BANK, NATIONAL ASSOCIATION, as Trustee

By _____
Name:
Title:

TTG INDIAN TRAILS LIMITED PARTNERSHIP,
an Illinois limited partnership

By: TTG Indian Trails LLC, an Illinois limited liability company

By: _____
Name: Charles Treatch
Title: Manager

By: _____
Name: Nicholas Tufano
Title: Manager

(Sub)Exhibits "A" and "B" referred to in this Financing Agreement read as follows:

(Sub)Exhibit "A".
(To Financing Agreement)

Bond Mortgage Note.

Property Name: Indian Trails Apartments

BOND MORTGAGE NOTE
(Series 2025)

US $35,000,000 December __, 2025

FOR VALUE RECEIVED, the undersigned, TTG INDIAN TRAILS LIMITED PARTNERSHIP, an Illinois limited partnership (together with such party's or parties' successors and assigns, the "Borrower"), jointly and severally (if more than one), promises to pay to the order of the CITY OF CHICAGO, and its assigns (together with its successors and assigns, "Holder"), the principal sum of Thirty-Five Million Dollars (US $35,000,000), plus premium, if any, and interest thereon and to pay the other amounts owing from time to time hereunder, all as set forth below.

This Bond Mortgage Note (this "Bond Mortgage Note") is being delivered pursuant to that certain Financing Agreement dated as of December 1, 2025, among Holder, in its capacity as issuer (the "Issuer"), UMB Bank, National Association (the "Trustee") and Borrower (together with any and all amendments, modifications, supplements and restatements, the "Financing Agreement") pursuant to which the Issuer has made a mortgage loan in the principal amount of this Bond Mortgage Note to Borrower (the "Bond Mortgage Loan"), and this Bond Mortgage Note is entitled to the benefits of the Financing Agreement and is subject to the terms, conditions and provisions thereof. The Bond Mortgage Loan related to this Bond Mortgage Note was funded with the proceeds received from the sale of the Issuer's Multi-Family Housing Revenue Bonds (Indian Trails Apartments Project), Series 2025 (the "Bonds") in the original principal amount of $35,000,000 issued pursuant to the Indenture dated as of December 1, 2025 (the "Indenture") by the Issuer and the Trustee. The outstanding principal balance of this Bond Mortgage Note at any time shall be an amount equal to the corresponding outstanding portion of the Bond Mortgage Loan.

1. Defined Terms.

(a) As used in this Bond Mortgage Note:

"Base Recourse" means a portion of the Indebtedness equal to (i) 100% of the original principal balance of this Bond Mortgage Note during the Construction Period, and (ii) 0% of the original principal balance of this Bond Mortgage Note during the Permanent Period.

"Bond Mortgage Loan Payment Date" is defined in Section 2 of this Bond Mortgage Note.

"Business Day" means any day other than (a) a Saturday or a Sunday, or (b) a day on which (i) banking institutions or trust companies in Kansas City, Missouri, the City of New York or in the city in which the Principal Office of the Trustee is located are authorized or obligated

by law, regulation or executive order to be closed or (ii) the Federal Reserve Bank of New York or the New York Stock Exchange is closed.

"Closing Date" means the date hereof, which is the date of initial delivery of the Bonds by the Issuer to the initial purchaser(s) thereof.

"Construction Funding Agreement" means the Construction Funding Agreement dated as of the date hereof by and between the Initial Purchaser set forth therein and the Borrower.

"Conversion" means Lender's determination that he Conditions to Conversion have been satisfied in accordance with the provisions of the Construction Funding Agreement, dated ____ between _____ and _____ (the "**Construction Funding Agreement**").

"Conversion Date" means the date to be designated by Lender once the Conditions to Conversion (as such term is defined in the Construction Funding Agreement), the determination of the Permanent Period Amount (as such term is defined in the Construction Funding Agreement) has been made and any loan balancing payments in accordance with the terms of the Construction Funding Agreement have been made. The Conversion Date must occur no later than the Outside Conversion Date (as such term is defined in the Construction Funding Agreement).

"Default Rate" means an annual interest rate equal to 5 percentage points above the Interest Rate. However, at no time will the Default Rate exceed the Maximum Interest Rate.

"First Bond Mortgage Loan Payment Date" means _____ 1, 2026.

"Holder" means the holder from time to time of this Bond Mortgage Note.

"Indebtedness" means the principal of, premium, if any, and interest on or any other amounts due at any time under this Bond Mortgage Note or the Financing Agreement.

"Interest Rate" means (i) during the Construction Period, the annual interest rate of ___% per annum, and (ii) during the Permanent Period, the annual interest rate of ___% per annum.

"Lockout Period" means the period from and including the date of this Bond Mortgage Note until but not including [10] years following the commencement of the Permanent Period.

"Maximum Interest Rate" means the rate of interest which results in the maximum amount of interest allowed by applicable law.

"Permanent Period" means the period of time from the Conversion Date to the Scheduled Maturity Date.

["Prepayment Premium" means the following: (i) 3% of the amount of principal being prepaid if the prepayment occurs during the period commencing on the Closing Date to but not including the beginning of the 12th year following the Conversion Date, (ii) 2% of the amount of principal being prepaid if the prepayment occurs during the period beginning on the 12th year following the Conversion Date to but not including the beginning of the 13th year following the

Conversion Date, and (iii) 1% of the amount of principal being prepaid if the prepayment occurs during the period beginning on the 13th year following the Conversion Date to but not including the beginning of the 14th year following the Conversion Date.]

"Prepayment Premium Period" means the period from and including the date of this Bond Mortgage Note until but not including the beginning of the 14th year following the Conversion Date.

"Property Jurisdiction" means the State of Illinois.

"Scheduled Maturity Date" means [January 1, 2043].

"Security Instrument" means the multifamily mortgage, deed to secure debt or deed of trust effective as of the effective date of this Bond Mortgage Note from Borrower to or for the benefit of Issuer and its assigns and securing this Bond Mortgage Note, as amended, modified or supplemented from time to time.

(b) Other capitalized terms used but not defined in this Bond Mortgage Note shall have the meanings given to such terms in the Financing Agreement, the Indenture, the Continuing Covenant Agreement or the Construction Funding Agreement.

2. Payments of Principal and Interest. Borrower shall pay on the first calendar day of each month commencing on the First Bond Mortgage Loan Payment Date, interest at the Interest Rate on the outstanding principal balance of this Bond Mortgage Note, and shall also pay interest on this Bond Mortgage Note at the Interest Rate in the event of an optional or mandatory prepayment or acceleration of all or a part of the Bond Mortgage Loan pursuant to this Bond Mortgage Note or the Financing Agreement, in an amount equal to the accrued and unpaid interest to the date of prepayment on the portion of this Bond Mortgage Note subject to prepayment (each such date for payment a "Bond Mortgage Loan Payment Date"). Interest under this Bond Mortgage Note will be computed, payable and allocated on the basis of a 360-day and the actual number of days elapsed.

Borrower shall pay the outstanding principal of this Bond Mortgage Note in full on the Scheduled Maturity Date and in monthly installments on each date set forth on the Mandatory Sinking Fund Schedule attached as Schedule 1 to the Indenture in an amount equal to the corresponding amounts set forth thereon, or at such earlier times and in such amounts as may be required in the event of an optional or mandatory prepayment or acceleration of the Bond Mortgage Loan pursuant to this Bond Mortgage Note or the Financing Agreement.

In addition to the foregoing, Borrower shall make payments hereunder in respect of the Bond Mortgage Loan at such times and in such amounts as are sufficient to pay, when due (whether at stated maturity, upon prepayment before maturity, upon acceleration of stated maturity or otherwise), the principal of and premium, if any, and interest on the Bonds at any time outstanding.

Any regularly scheduled monthly installment of principal and interest payable pursuant to this Section 2 that is received by Holder before the date on which it is due will be deemed to have been received on the due date for the purpose of calculating interest due.

3. Payment of Fees and Expenses; Other Required Payments. Borrower shall also pay fees and expenses under Section 4.02 of the Financing Agreement, rebate amounts under Sections 2.04 and 4.03 of the Financing Agreement and indemnification amounts under Section 6.01 of the Financing Agreement and Section 10.02 of the Continuing Covenant Agreement, as well as any other amounts owed by the Borrower under the Financing Documents, when due and in accordance with the terms and provisions set forth therein.

4. Manner of Payment; Deficiencies. All payments under this Bond Mortgage Note shall be made in lawful currency of the United States and in immediately available funds as provided for herein and in the Financing Agreement. In the event of any deficiency in the funds available under the Indenture for payment of the principal of, premium, if any, or interest on the Bonds when due, Borrower shall immediately pay the amount of the deficiency to the Trustee upon notice of the deficiency from the Issuer, Servicer or the Trustee. Borrower shall be obligated to pay the deficiency regardless of the reason for the deficiency, including any deficiency resulting from any shortfall in payments made or to be made by Borrower under this Bond Mortgage Note, any loss due to a default under any investment held by the Trustee, a change in value of any such investment or otherwise.

5. Application of Partial Payments. If at any time Holder receives, from Borrower or otherwise, any amount applicable to the Indebtedness which is less than all amounts due and payable at such time, Holder may apply the amount received to amounts then due and payable in any manner and in any order determined by Holder, in Holder's discretion. Borrower agrees that neither Holder's acceptance of a payment from Borrower in an amount that is less than all amounts then due and payable nor Holder's application of such payment shall constitute or be deemed to constitute either a waiver of the unpaid amounts or an accord and satisfaction.

6. Security. The Indebtedness is secured by, among other things, the Security Instrument. Reference is made to the Security Instrument and the Financing Agreement for other rights of Holder with respect to collateral for the Indebtedness.

7. Acceleration. If an Event of Default has occurred and is continuing, the entire unpaid principal balance, any accrued interest, any prepayment premium payable under Section 10 of this Bond Mortgage Note, and all other amounts payable under this Bond Mortgage Note and any other Financing Document, shall at once become due and payable, at the option of Holder, without any prior Notice to Borrower (except if notice is required by applicable law or in accordance with the Loan Documents, then after such notice). Holder may exercise this option to accelerate regardless of any prior forbearance. For purposes of exercising such option, Holder will calculate the prepayment premium as if prepayment occurred on the date of acceleration. If prepayment occurs thereafter, Holder will recalculate the prepayment premium as of the actual prepayment date.

8. Default Rate. So long as (a) any monthly installment under this Bond Mortgage Note remains past due, or (b) any other Event of Default has occurred and is continuing, interest under this Bond Mortgage Note shall accrue on the unpaid principal balance from the earlier of the due date of the first unpaid monthly installment or the occurrence of such other Event of Default, as applicable, at the lesser of the Default Rate or the Maximum Interest Rate. If the unpaid principal balance and all accrued interest are not paid in full on the Scheduled Maturity Date, the unpaid principal balance and all accrued interest shall bear interest from the Scheduled

Maturity Date at the lesser of the Default Rate or the Maximum Interest Rate. Borrower also acknowledges that its failure to make timely payments will cause Holder to incur additional expenses in servicing and processing the Bond Mortgage Loan, that, during the time that any monthly installment under this Bond Mortgage Note is delinquent, Holder will incur additional costs and expenses arising from its loss of the use of the money due and from the adverse impact on Holder's ability to meet its other obligations and to take advantage of other investment opportunities, and that it is extremely difficult and impractical to determine those additional costs and expenses. Borrower also acknowledges that, during the time that any monthly installment under this Bond Mortgage Note is delinquent or any other Event of Default has occurred and is continuing, Holder's risk of nonpayment of this Bond Mortgage Note will be materially increased and Holder is entitled to be compensated for such increased risk. Borrower agrees that the increase in the rate of interest payable under this Bond Mortgage Note to the Default Rate represents a fair and reasonable estimate, taking into account all circumstances existing on the date of this Bond Mortgage Note, of the additional costs and expenses Holder will incur by reason of Borrower's delinquent payment and the additional compensation Holder is entitled to receive for the increased risks of nonpayment associated with a delinquent loan.

9. Limits on Personal Liability.

(a) Except as otherwise provided in this Section 9, none of Borrower or any partner of Borrower will have any personal liability under this Bond Mortgage Note, the Financing Agreement or any other Financing Document for the repayment of the Indebtedness or for the performance of or compliance with any other obligations of Borrower under the Financing Documents, and Holder's only recourse for the satisfaction of the Indebtedness and the performance of such obligations will be Holder's exercise of its rights and remedies with respect to the Project and to any other collateral held by Holder as security for the Indebtedness. This limitation on Borrower's liability will not limit or impair Holder's enforcement of its rights against any Guarantor of the Indebtedness or any Guarantor of any other obligations of Borrower.

(b) Borrower will be personally liable to Holder for the amount of the Base Recourse, plus any other amounts for which Borrower has personal liability under this Section 9.

(c) In addition to the Base Recourse, Borrower will be personally liable to Holder for the repayment of a further portion of the Indebtedness equal to any loss or damage suffered by Holder as a result of the occurrence of any of the following events:

(i) Borrower fails to pay to Holder upon demand after an Event of Default all Rents to which Holder is entitled under Section 3 of the Security Instrument and the amount of all security deposits collected by Borrower from tenants then in residence. However, Borrower will not be personally liable for any failure described in this Section 9(c)(i) if Borrower is unable to pay to Holder all Rents and security deposits as required by the Security Instrument because of a valid order issued in, or an automatic stay applicable because of, a bankruptcy, receivership, or similar judicial proceeding.

(ii) Borrower fails to apply all Insurance proceeds and Condemnation proceeds as required by the Continuing Covenant Agreement. However, Borrower will not be personally liable for any failure described in this Section 9(c)(ii) if Borrower is

unable to apply Insurance or Condemnation proceeds as required by the Continuing Covenant Agreement because of a valid order issued in, or an automatic stay applicable because of, a bankruptcy, receivership, or similar judicial proceeding.

(iii) Either of the following occurs:

(A) Borrower fails to deliver the statements, schedules and reports required by Section 6.07 of the Continuing Covenant Agreement and Holder exercises its right to audit those statements, schedules and reports.

(B) An Event of Default has occurred and is continuing, and Borrower fails to deliver all books and records relating to the Mortgaged Property or its operation in accordance with the provisions of Section 6.07 of the Continuing Covenant Agreement.

(iv) Borrower fails to pay when due in accordance with the terms of the Continuing Covenant Agreement the amount of any item below marked "Deferred"; provided however, that if no item is marked "Deferred", this Section 9(c)(iv) will be of no force or effect.

[Deferred] Property Insurance premiums or other Insurance premiums,

[Deferred] Taxes or payments in lieu of taxes (PILOT)

[Deferred] Water and sewer charges (that could become a lien on the Mortgaged Property)

[Collect] Ground Rents

[Deferred] Assessments or other charges (that could become a lien on the Mortgaged Property)

(v) Borrower engages in any willful act of material waste of the Mortgaged Property.

(vi) Borrower fails to comply with any provision of Section 6.13(a)(iii) through (xxvi) of the Continuing Covenant Agreement (subject to possible full recourse liability as set forth in Section 9(f)(ii)).

(vii) Any of the following Transfers occurs:

(A) Any Person that is not an Affiliate creates a mechanic's lien or other involuntary lien or encumbrance against the Mortgaged Property and Borrower has not complied with the provisions of the Continuing Covenant Agreement.

(B) A Transfer of property by devise, descent or operation of law occurs upon the death of a natural person and such Transfer does not meet the requirements set forth in the Continuing Covenant Agreement.

(C) Borrower grants an easement that does not meet the requirements set forth in the Continuing Covenant Agreement.

(D) Reserved.

(viii) Reserved.

(ix) through (xx) are Reserved.

(xxi) Borrower or any officer, director, partner, member or employee of Borrower makes an unintentional written material misrepresentation in connection with (1) the application for or creation of the Indebtedness or (2) any action or consent of Holder; provided that the assumption will be that any written material misrepresentation was intentional and the burden of proof will be on Borrower to prove that there was no intent.

(xxii) through (xxxiv) are Reserved.

(d) In addition to the Base Recourse, Borrower will be personally liable to Holder for all of the following:

(i) Borrower will be personally liable for the performance of all of Borrower's obligations under Sections 6.12, 10.02(b) and 10.02(e) of the Continuing Covenant Agreement.

(ii) Reserved.

(iii) Borrower will be personally liable for any costs and expenses incurred by Holder in connection with the collection of any amount for which Borrower is personally liable under this Section 9, including Attorneys' Fees and Costs and the costs of conducting any independent audit of Borrower's books and records to determine the amount for which Borrower has personal liability.

(iv) through (viii) are reserved.

(ix) Reserved.

(x) Reserved.

(xi) through (xv) are Reserved.

(e) All payments made by Borrower with respect to the Indebtedness and all amounts received by Holder from the enforcement of its rights under the Financing Agreement and the other Financing Documents will be applied first to the portion of the Indebtedness for which Borrower has no personal liability.

(f) Notwithstanding the Base Recourse, Borrower will become personally liable to Holder for the repayment of all of the Indebtedness upon the occurrence of any of the following Events of Default:

(i) Borrower fails to comply with Section 6.13(a)(i) or (ii) of the Continuing Covenant Agreement.

(ii) Borrower fails to comply with any provision of Section 6.13(a)(iii) through (xxvi) of the Continuing Covenant Agreement and a court of competent jurisdiction holds or determines that such failure or combination of failures is the basis, in whole or in part, for the substantive consolidation of the assets and liabilities of Borrower with the assets and liabilities of a debtor pursuant to Title 11 of the Bankruptcy Code.

(iii) A Transfer that is an Event of Default under Section 7.01 of the Continuing Covenant Agreement occurs, other than a Transfer set forth in Section 9(c)(vii) above (for which Borrower will have personal liability for Holder's loss or damage); provided, however, that Borrower will not have any personal liability for a Transfer consisting solely of the involuntary removal or involuntary withdrawal of a general partner in a limited partnership or a manager in a limited liability company.

(iv) There was fraud or intentional written material misrepresentation by Borrower or any officer, director, partner, member or employee of Borrower in connection with (1) the application for or creation of the Indebtedness, (2) on-going financial or other reporting requirements or information required by the Loan Documents, or (3) any action or consent of Holder.

(v) Borrower files for bankruptcy protection under the Bankruptcy Code.

(vi) Borrower becomes subject to any reorganization, receivership, insolvency proceeding, or other similar proceeding pursuant to any other federal or state law affecting debtor and creditor rights.

(vii) The Mortgaged Property or any part of the Mortgaged Property becomes an asset in a voluntary bankruptcy or becomes subject to any voluntary reorganization, receivership, insolvency proceeding, or other similar voluntary proceeding pursuant to any other federal or state law affecting debtor and creditor rights.

(viii) An order of relief is entered against Borrower pursuant to the Bankruptcy Code or other federal or state law affecting debtor and creditor rights in any involuntary bankruptcy proceeding initiated or joined in by a Related Party.

(ix) An involuntary bankruptcy or other involuntary insolvency proceeding is commenced against Borrower (by a party other than Holder).

(x) through (xiii) are Reserved.

(xiv) In the event that any of the interest payable on the Bonds is deemed included in any Bondholder's (other than a Bondholder who is a "substantial user" of the Project or a "related person" with respect thereto, each as defined in Section 147(a) of the Internal Revenue Code of 1986) gross income for federal income tax purposes as a result of any action or failure to act by Borrower or any person or entity acting on behalf of Borrower (including, but not limited to, the manager of the Mortgaged Property).

(g) For purposes of Sections 9(f) and (h), the term "Related Party" will include all of the following:

(i) Borrower or any Guarantor.

(ii) Any Person that holds, directly or indirectly, any ownership interest (including any shareholder, member or partner) in Administrative General Partner or any Guarantor or any Person that has a right to manage Administrative General Partner or any Guarantor.

(iii) Any Person in which Borrower or any Guarantor has any ownership interest (direct or indirect) or right to manage.

(iv) Any Person in which any partner, shareholder or member of Administrative General Partner or any Guarantor has an ownership interest or right to manage.

(v) Any Person in which any Person holding an interest in Administrative General Partner or any Guarantor also has any ownership interest.

(vi) Any creditor (as defined in the Bankruptcy Code) of Borrower that is related by blood, marriage or adoption to Borrower or any Guarantor.

(vii) Any creditor (as defined in the Bankruptcy Code) of Borrower that is related to any partner, shareholder or member of, or any other Person holding an interest in, Administrative General Partner or any Guarantor.

(h) If Borrower or any Guarantor, or any Related Party has solicited creditors to initiate or participate in any proceeding referred to in Section 9(f), regardless of whether any of the creditors solicited actually initiates or participates in the proceeding, then such proceeding will be considered as having been initiated by a Related Party.

(i) In addition to the Base Recourse, Borrower will be personally liable for the following obligations under the Financing Agreement:

(i) Borrower's obligations to the Issuer and the Trustee under subsections (b)(ii), (b)(iv), (b)(v), and (b)(vi) of Section 4.02 of the Financing Agreement;

(ii) Borrower's tax and indemnification obligations under Sections 2.05 and 6.01 of the Financing Agreement;

(iii) Borrower's obligation to pay any and all rebate amounts that may be or become owing with respect to the Bonds and fees and expenses of the Rebate Analyst as provided in Sections 2.04 and 4.03 of the Financing Agreement and the Tax Certificate; and

(iv) Borrower's obligation to pay legal fees and such expenses under Section 7.04 of the Financing Agreement.

(j) To the extent that Borrower has personal liability under this Section 9, Holder may, to the fullest extent permitted by applicable law, exercise its rights against Borrower personally without regard to whether Holder has exercised any rights against the Mortgaged Property or any other security, or pursued any rights against any Guarantor, or pursued any other rights available to Holder under this Bond Mortgage Note, the Financing Agreement, any other Financing Document, or applicable law. To the fullest extent permitted by applicable law, in any action to enforce Borrower's personal liability under this Section 9, Borrower waives any right to set off the value of the Mortgaged Property against such personal liability.

10. Voluntary and Involuntary Prepayments During the Yield Maintenance Period; Prepayment Premium.

(a) Any receipt by Holder of principal due under this Bond Mortgage Note prior to the Scheduled Maturity Date constitutes a prepayment of principal under this Bond Mortgage Note. Without limiting the foregoing, any application by Holder, prior to the Scheduled Maturity Date, of any proceeds of collateral or other security to the repayment of any portion of the unpaid principal balance of this Bond Mortgage Note constitutes a prepayment under this Bond Mortgage Note.

(b) This Bond Mortgage Note, together with accrued interest hereon, and together with prepayment premium (to the extent provided in Section 10(c) below), is subject to mandatory prepayment on any Business Day, in whole or in part as indicated below, at the earliest practicable date upon the occurrence of any of the following:

(i) the application of any Insurance proceeds or Condemnation award to the prepayment of the Bond Mortgage Loan as required under the Continuing Covenant Agreement; or

(ii) in whole, upon the occurrence of a Determination of Taxability (and which shall be subject to prepayment premium in the amount set forth under (iii) below); or

(iii) in part, on the Interest Payment Date next following the completion of the construction of the Project, to the extent amounts remaining in the Project Account of the Bond Mortgage Loan Fund are transferred to the Loan Prepayment Fund pursuant to the Indenture to pay down the Bonds; or

(iv) Reserved; or

(v) in part, in connection with any required prepayment pursuant to Section 7.3.4 of the Construction Funding Agreement.

(c) Borrower may not voluntarily prepay any portion of the principal balance of this Bond Mortgage Note during the Lockout Period. Prepayment Premium will be due and payable by Borrower in connection with any prepayment of principal under this Bond Mortgage Note during the Prepayment Premium Period; provided the prepayment premium with respect to any mandatory prepayment of the Bond Mortgage Loan occurring at any time during the Lockout

Period due to a Determination of Taxability will be 5.0% of the amount of principal being subject to mandatory prepayment.

(d) Notwithstanding any other provision of this Section 10, no prepayment premium will be payable with respect to any of the following:

(i) any scheduled principal payment in accordance with the Mandatory Sinking Fund Schedule;

(ii) any prepayment made after the Prepayment Period;

(iii) any mandatory prepayment occurring as a result of the application of any Insurance proceeds under the Continuing Covenant Agreement;

(iv) any prepayment occurring as a result of the application of any Condemnation award, or otherwise required under the terms of the Continuing Covenant Agreement in connection with a Condemnation;

(v) any prepayment under Section 10(b)(iii) hereof following the completion of the construction of the Project, to the extent amounts remaining in the Project Account of the Bond Mortgage Loan Fund are transferred to the Loan Prepayment Fund pursuant to Section 4.02(e) of the Indenture; or

(vi) any prepayment required by Section 7.3.4 of the Construction Funding Agreement in connection with Conversion.

(e) After the expiration of the Lockout Period, Borrower may voluntarily prepay all of the unpaid principal balance of this Bond Mortgage Note on the first day of a calendar month (a "Scheduled Bond Mortgage Loan Payment Date") so long as Borrower designates the date for such prepayment in a written notice from Borrower to Holder given at least 30 days prior to the date of such prepayment. If a Scheduled Bond Mortgage Loan Payment Date falls on a day which is not a Business Day, then with respect to payments made under this Section 10 only, (A) the term "Scheduled Bond Mortgage Loan Payment Date" will mean the Business Day immediately preceding the Scheduled Bond Mortgage Loan Payment Date and (B) the calculation of any required prepayment premium will be made as if the prepayment had actually been made on the Scheduled Bond Mortgage Loan Payment Date.

(f) Notwithstanding Section 10(e) above, after the expiration of the Lockout Period, Borrower may voluntarily prepay all of the unpaid principal balance of this Bond Mortgage Note on a Business Day other than a Scheduled Bond Mortgage Loan Payment Date if Borrower provides Holder with the written notice set forth in Section 10(d) and meets the other requirements set forth in this Section 10(f). Borrower acknowledges that Holder has agreed that Borrower may prepay principal on a Business Day other than a Scheduled Bond Mortgage Loan Payment Date only because Holder will deem any prepayment received by Holder on any day other than a Bond Mortgage Loan Payment Date to have been received on the Scheduled Bond Mortgage Loan Payment Date immediately following such prepayment and Borrower will be responsible for all interest and any required prepayment premium that would have been due if

the prepayment had actually been made on the Scheduled Bond Mortgage Loan Payment Date immediately following such prepayment.

(g) Unless otherwise expressly provided in the Financing Documents, Borrower may not voluntarily prepay less than all of the unpaid principal balance of this Bond Mortgage Note. In order to voluntarily prepay all of the principal of this Bond Mortgage Note, Borrower must also pay to Holder, together with the amount of principal being prepaid, (i) all accrued and unpaid interest due under this Bond Mortgage Note, (ii) all other fees and amounts due under the Financing Documents at the time of such prepayment, plus (iii) any prepayment premium calculated pursuant to Section 10(c).

(h) Unless Holder agrees otherwise in writing, a permitted or required prepayment of less than the unpaid principal balance of this Bond Mortgage Note will not extend or postpone the due date of any subsequent monthly installments or change the amount of such installments.

(i) Borrower recognizes that any prepayment of any of the unpaid principal balance of this Bond Mortgage Note, whether voluntary or involuntary or resulting from an Event of Default by Borrower, will result in Holder's incurring loss, including reinvestment loss, additional expense and frustration or impairment of Holder's ability to meet its commitments to third parties. Borrower agrees to pay to Holder upon demand damages for the detriment caused by any prepayment, and agrees that it is extremely difficult and impractical to ascertain the extent of such damages. Borrower therefore acknowledges and agrees that the formula for calculating Prepayment Premium represents a reasonable estimate of the damages Holder will incur because of a prepayment. Borrower further acknowledges that the lockout and prepayment premium provisions of this Bond Mortgage Note are a material part of the consideration for the Bond Mortgage Loan, and that the terms of this Bond Mortgage Note are in other respects more favorable to Borrower as a result of Borrower's voluntary agreement to the prepayment premium provisions.

(j) Reserved.

(k) Reserved.

(l) Reserved.

11. Costs and Expenses. To the fullest extent allowed by applicable law, Borrower must pay all expenses and costs, including Attorneys' Fees and Costs incurred by Holder as a result of any default under this Bond Mortgage Note or in connection with efforts to collect any amount due under this Bond Mortgage Note, or to enforce the provisions of any of the other Financing Documents, including those incurred in post-judgment collection efforts and in any bankruptcy proceeding (including any action for relief from the automatic stay of any bankruptcy proceeding) or judicial or non-judicial foreclosure proceeding. Borrower acknowledges and agrees that, in connection with each request by Borrower under this Bond Mortgage Note or any Financing Document, Borrower must pay all reasonable Attorneys' Fees and Costs and expenses incurred by Holder, regardless of whether the matter is approved, denied or withdrawn.

12. Forbearance. Any forbearance by Holder in exercising any right or remedy under this Bond Mortgage Note, the Financing Agreement, or any other Financing Document or

otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of that or any other right or remedy. The acceptance by Holder of any payment after the due date of such payment, or in an amount which is less than the required payment, shall not be a waiver of Holder's right to require prompt payment when due of all other payments or to exercise any right or remedy with respect to any failure to make prompt payment. Enforcement by Holder of any security for Borrower's obligations under this Bond Mortgage Note shall not constitute an election by Holder of remedies so as to preclude the exercise of any other right or remedy available to Holder.

13. Waivers. Borrower and all endorsers and Guarantors of this Bond Mortgage Note and all other third-party obligors waive presentment, demand, notice of dishonor, protest, notice of acceleration, notice of intent to demand or accelerate payment or maturity, presentment for payment, notice of nonpayment, grace and diligence in collecting the Indebtedness.

14. Loan Charges. Neither this Bond Mortgage Note nor any of the other Financing Documents will be construed to create a contract for the use, forbearance, or detention of money requiring payment of interest at a rate greater than the Maximum Interest Rate. If any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower in connection with the Loan is interpreted so that any interest or other charge provided for in any Financing Document, whether considered separately or together with other charges provided for in any other Financing Document, violates that law, and Borrower is entitled to the benefit of that law, that interest or charge is hereby reduced to the extent necessary to eliminate that violation. The amounts, if any, previously paid to Holder in excess of the permitted amounts will be applied by Holder to reduce the unpaid principal balance of this Bond Mortgage Note. For the purpose of determining whether any applicable law limiting the amount of interest or other charges permitted to be collected from Borrower has been violated, all Indebtedness that constitutes interest, as well as all other charges made in connection with the Indebtedness that constitute interest, will be deemed to be allocated and spread ratably over the stated term of this Bond Mortgage Note. Unless otherwise required by applicable law, such allocation and spreading will be effected in such a manner that the rate of interest so computed is uniform throughout the stated term of this Bond Mortgage Note.

15. Commercial Purpose. Borrower represents that Borrower is incurring the Indebtedness solely for the purpose of carrying on a business or commercial enterprise, and not for personal, family, household, or agricultural purposes.

16. Counting of Days. Any reference in this Bond Mortgage Note to a period of "days" means calendar days, not Business Days, except where otherwise specifically provided.

17. Governing Law. This Bond Mortgage Note shall be governed by the law of the Property Jurisdiction.

18. Captions. The captions of the Sections of this Bond Mortgage Note are for convenience only and shall be disregarded in construing this Bond Mortgage Note.

19. Address for Payment; Notices; Written Modifications.

(a) All payments due under this Bond Mortgage Note shall be payable at the principal office designated by the Servicer, or such other place as may be designated by written notice to Borrower from or on behalf of Holder.

(b) All Notices, demands, and other communications required or permitted to be given pursuant to this Bond Mortgage Note will be given in accordance with Section 8.01 of the Financing Agreement.

(c) Any modification or amendment to this Bond Mortgage Note will be ineffective unless in writing and signed by the party sought to be charged with such modification or amendment.

20. Consent to Jurisdiction and Venue. Borrower agrees that any controversy arising under or in relation to this Bond Mortgage Note shall be litigated in the Property Jurisdiction. The state and federal courts and authorities with jurisdiction in the Property Jurisdiction shall have jurisdiction over all controversies which shall arise under or in relation to this Bond Mortgage Note. Borrower irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. However, nothing in this Bond Mortgage Note is intended to limit any right that Holder may have to bring any suit, action, or proceeding relating to matters arising under this Bond Mortgage Note in any court of any other jurisdiction.

21. WAIVER OF TRIAL BY JURY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND HOLDER EACH (a) AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES AS HOLDER AND BORROWER THAT IS TRIABLE OF RIGHT BY A JURY AND (b) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

22. Reserved.

23. Assignment. Borrower acknowledges that this Bond Mortgage Note is being assigned by the Issuer to the Trustee as security for the Bonds.

24. State-Specific Provisions. State-specific provisions, if any, are included on Schedule 2 to this Bond Mortgage Note.

25. Attached Riders. The following Riders are attached to this Bond Mortgage Note:

Regulatory Agreement Default Recourse
Tax Credit Properties
Tax Exemption or Abatement Loss Recourse

Ground Lease

26. Attached Schedules and Exhibits. The following Schedules and Exhibits, if marked with an "X" in the space provided, are attached to this Bond Mortgage Note:

[X] Schedule 1 State Specific Provisions for Bond Mortgage Note

[X] Exhibit A Modifications to Bond Mortgage Note

27. Reserved.

28. Reserved.

29. Reserved.

30. Reserved.

31. Reserved.

[Signature page follows]

IN WITNESS WHEREOF, and in consideration of Issuer's agreement to lend Borrower the principal amount set forth above, Borrower has signed and delivered this Bond Mortgage Note under seal or has caused this Bond Mortgage Note to be signed and delivered under seal by its duly authorized representative. Borrower intends that this Bond Mortgage Note will be deemed to be signed and delivered as a sealed instrument.

TTG INDIAN TRAILS LIMITED PARTNERSHIP, an Illinois limited partnership

By: TTG Indian Trails LLC, an Illinois limited liability company

By: _____
Name: Charles Treatch
Title: Manager

By: _____
Name: Nicholas Tufano
Title: Manager

ENDORSEMENT

Pay to the order of UMB Bank, National Association, without recourse, as Trustee under the Indenture referred to in the within mentioned Bond Mortgage Note, as security for the Bonds issued under the Indenture. This endorsement is given without any warranty as to the authority or genuineness of the signature of the maker of the Bond Mortgage Note.

This ___ day of December, 2025.

CITY OF CHICAGO, as Issuer

By: _____
Name: Jill Jaworski
Title: Chief Financial Officer

(Sub)Exhibit "B".
(To Financing Agreement)

Bond Mortgage Loan Fund Requisition.
(Bond Mortgage Loan Fund)

UMB Bank, National Association, as Trustee

Re: City of Chicago [$35,000,000] Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025

You are requested to disburse funds from the Bond Mortgage Loan Fund pursuant to Section 4.02 of the Indenture in the amount(s), to the person(s) and for the purpose(s) set forth in this requisition (the "**Requisition**"). The terms used in this requisition shall have the meaning given to those terms in the Indenture (the "**Indenture**"), dated as of December 1, 2025, by and between the City of Chicago and UMB Bank, National Association, as trustee, securing the above referenced Bonds.

REQUISITION NO.:

PAYMENT DUE TO:

AMOUNT(S) TO BE DISBURSED: $_____ from the Project Account

$_____ from the Borrower Equity Account

The undersigned Borrower hereby represents and warrants that the following information and certifications provided in connection with this Requisition are true and correct as of the date hereof and authorizes Servicer to submit this Requisition to Bond Trustee on behalf of Borrower:

1. Purposes for which disbursement is requested are specified in the **attached Schedule**.

2. Party or parties to whom the disbursements shall be made are specified in the **attached Schedule** (may be the undersigned in the case of reimbursement for advances and payments made or cost incurred for work done by the undersigned); provided, that no reimbursement shall be made for advances and payments made prior to _____, 20___).

3. The undersigned certifies that:

   a. the conditions precedent to disbursement set forth in the Construction Funding Agreement have been satisfied;

   b. the disbursement requested pursuant to this Requisition will be used solely to pay a cost or costs allowable under the Indenture and the Construction Funding Agreement;

   c. none of the items for which disbursement is requested pursuant to this Requisition has formed the basis for any disbursement previously made

from the Bond Mortgage Loan Fund and all such items have been properly recorded in Borrower's books and are set forth on the Schedule attached hereto, along with paid invoices attached for any sum for which reimbursement is requested and invoices or bills of sales for all other items;

d. all labor and materials for which disbursements have been requested have been incorporated into the Project in accordance with reasonable and standard building practices, the Construction Funding Agreement and all Legal Requirements (as defined in the Construction Funding Agreement);

e. the materials, supplies and equipment furnished or installed for the Improvements are not subject to any lien or security interest or that the funds to be disbursed pursuant to this Requisition are to be used to satisfy any such lien or security interest;

f. all of the funds being requisitioned are being used in compliance with all tax covenants set forth in the Indenture, the Financing Agreement and the Tax Certificate, including that none of the proceeds of the Bonds (including investment earnings thereon) will be used to provide an airplane, a skybox or any other private luxury box, any facility primarily used for gambling, health club facility or any store the principal business of which is the sale of alcoholic beverages for consumption off premises;

g. with respect to amounts from the Project Account of the Bond Mortgage Loan Fund, not less than 95% of the sum of:

(A) the amounts requisitioned by this Requisition; plus

(B) all amounts previously requisitioned and disbursed from the Project Account of the Bond Mortgage Loan Fund;

have been or will be applied by Borrower to pay the Costs of the Project;

(h) Borrower is not in default under the Financing Agreement, the Construction Funding Agreement or any other Bond Mortgage Loan Document to which it is a party and nothing has occurred to the knowledge of Borrower that would prevent the performance of its obligations under such documents;

(i) no amounts being requisitioned hereby will be used to pay, or reimburse, any Costs of Issuance incurred in connection with the issuance of the Bonds or pay debt service with respect to the Bond Mortgage Loan; and

h. Funds deposited with Borrower for further disbursement to third parties shall be paid to such third parties by check dated the date of

such deposit and Borrower reasonably expects such funds will be disbursed from its account within five Business Days of such deposit.

[Following items may not required for Initial Disbursement]

4. Estimated costs of completing the uncompleted Improvements (as defined in the Construction Funding Agreement) as of the date of this Requisition: _____.

IN WITNESS WHEREOF, the undersigned has executed this Requisition as of the day and date first above written.

Date:_____

TTG INDIAN TRAILS LIMITED PARTNERSHIP,
An Illinois limited partnership

By: TTG Indian Trails, LLC, its general partner

By: _____
Name:
Title: Manager

By: _____
Name:
Title: Manager

APPROVED:

[BERKADIA COMMERCIAL MORTGAGE LLC]

By: _____

Name:
Title:

Exhibit "D".
(To Ordinance)

Land-Use Restriction Agreement.

THIS LAND USE RESTRICTION AGREEMENT (this "**Agreement**"), entered into as of December 1, 2025, between the **CITY OF CHICAGO**, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "**Issuer**"), and **TTG INDIAN TRAILS LIMITED PARTNERSHIP**, an Illinois limited partnership (the "**Owner**"),

WITNESSETH:

WHEREAS, the Issuer has issued, sold and delivered its [$35,000,000] Multi-Family Housing Revenue Bonds (Indian Trails Apartments), Series 2025 (the "**Bonds**"); and

WHEREAS, the Bonds are issued pursuant to the Indenture of even date herewith (the "**Indenture**"), between the Issuer and UMB Bank, National Association, as trustee (the "**Trustee**"); and

WHEREAS, the proceeds derived from the issuance and sale of the Bonds are being lent by the Issuer to the Owner pursuant to the Financing Agreement of even date herewith (the "**Financing Agreement**"), between the Issuer and the Owner for the purpose of financing a portion of the costs of an affordable housing development project consisting of (i) the acquisition of three five-story buildings on an approximately four-acre parcel located at the southeast comer of East 121st Place and South Indiana Avenue in the West Pullman community in Chicago, Illinois (the "**Facilities**"), and (ii) the renovation of the Facilities, which renovations include upgrades to the site, building envelope, common areas, and residential units; parking lot improvements, security enhancements, and accessibility upgrades; new roofing, windows, and lighting for the building exteriors; modernized common spaces including laundry rooms and a new "flex space" with fitness, lounge, and business center; and full in-unit renovations with updated kitchens, bathrooms, flooring, finishes, appliances, HVAC, and life-safety systems (collectively, the foregoing constitute the "**Renovations**" and collectively with the acquisition of the Facilities, the "**Project**"); and

WHEREAS, in order to assure the Issuer and the purchasers of the Bonds (the "**Holders**") that interest on the Bonds will be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986 (the "**Code**"), and to further the public purposes of the Issuer, certain restrictions on the use and occupancy of the Project under the Code must be established;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Owner and the Issuer agree as follows:

Section 1. Term of Restrictions

(a) ***Occupancy Restrictions***. The term of the Occupancy Restrictions set forth in Section 3 hereof shall commence on the first day on which at least 10% of the Units are first occupied following completion of the Project and shall end on the latest of (i) the date which is 15 years after the date on which at least 50% of the Units in the Project are first occupied; (ii) the first date on which no tax-exempt note or bond (including any refunding note or bond) issued with

respect to the Project is outstanding; or (iii) the date on which any housing assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937, as amended, terminates (which period is hereinafter referred with respect to the Project as the "**Qualified Project Period**").

(b) ***Rental Restrictions***. The Rental Restrictions with respect to the Project set forth in Section 4 hereof shall remain in effect during the Qualified Project Period.

(c) ***Involuntary Loss or Substantial Destruction***. The Occupancy Restrictions set forth in Section 3 hereof, and the Rental Restrictions set forth in Section 4 hereof, shall cease to apply to the Project in the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in federal law or an action of a federal City (with respect to the Project) after the date of delivery of the Bonds, which prevents the Issuer from enforcing the Occupancy Restrictions and the Rental Restrictions (with respect to the Project), or condemnation or similar event (with respect to the Project), but only if, within a reasonable time, (i) all of the Bonds are promptly retired, or amounts received as a consequence of such event are used to provide a new project which meets all of the requirements of this Agreement, which new project is subject to new restrictions substantially equivalent to those contained in this Agreement, and which is substituted in place of the Project by amendment of this Agreement; and (ii) an opinion from nationally recognized bond counsel (selected by the Issuer) is received to the effect that noncompliance with the Occupancy Restrictions and the Rental Restrictions applicable to the Project as a result of such involuntary loss or substantial destruction resulting from an unforeseen event with respect to the Project will not adversely affect the exclusion of the interest on the Bonds from the gross income of the Holders for purposes of federal income taxation; provided, however, that the preceding provisions of this paragraph shall cease to apply in the case of such involuntary noncompliance caused by foreclosure, transfer of title by deed in lieu of foreclosure or similar event if at any time during the Qualified Project Period with respect to the Project subsequent to such event the Owner or any Affiliated Party (as hereinafter defined) obtains an ownership interest in the Project for federal income tax purposes. "**Affiliated Party**" means a person whose relationship to another person is such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code; or (ii) such persons are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50%" shall be substituted for "at least 80%" each place it appears therein).

(d) ***Termination***. This Agreement shall terminate with respect to the Project upon the earliest of (i) termination of the Occupancy Restrictions and the Rental Restrictions with respect to the Project, as provided in paragraphs (a) and (b) of this Section 1; or (ii) delivery to the Issuer and the Owner of an opinion of nationally recognized bond counsel (selected by the Issuer) to the effect that continued compliance of the Project with the Rental Restrictions and the Occupancy Restrictions applicable to the Project is not required in order for interest on the Bonds to remain excludible from gross income for federal income tax purposes.

(e) ***Certification***. Upon termination of this Agreement, the Owner and the Issuer shall execute and cause to be recorded (at the Owner's expense), in all offices in which this Agreement was recorded, a certificate of termination, specifying which of the restrictions contained herein has terminated.

(f) [Reserved]

Section 2. Project Restrictions. The Owner represents, warrants and covenants that:

(a) The Owner has reviewed the provisions of the Code and the Treasury Regulations thereunder (the "**Regulations**") applicable to this Agreement (including, without limitation, Section 142(d) of the Code and Section 1.103-8(b) of the Regulations) with its counsel and understands said provisions.

(b) The Project is being acquired and constructed for the purpose of providing a "qualified residential rental project" (as such phrase is used in Section 142(d) of the Code) and will, during the term of the Rental Restrictions and Occupancy Restrictions hereunder applicable to the Project, continue to constitute a "qualified residential rental project" under Section 142(d) of the Code and any Regulations heretofore or hereafter promulgated thereunder and applicable thereto.

(c) Substantially all (not less than 95%) of the Project will consist of a "building or structure" (as defined in Section 1.103-8(b)(8)(iv) of the Regulations), or several proximate buildings or structures, of similar construction, each containing one or more similarly constructed residential units (as defined in Section 1.103-8(b)(8)(i) of the Regulations) located on a single tract of land or contiguous tracts of land (as defined in Section 1.103-8(b)(4)(ii)-(B) of the Regulations), which will be owned, for federal tax purposes, at all times by the same person, and financed pursuant to a common plan (within the meaning of Section 1.103-8(b)(4)(ii) of the Regulations), together with functionally related and subordinate facilities (within the meaning of Section 1.103-8(b)(4)(iii) of the Regulations). If any such building or structure contains fewer than five (5) units, no unit in such building or structure shall be Owner-occupied.

(d) None of the Units in the Project will at any time be used on a transient basis, nor will the Project itself be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court for use on a transient basis; nor shall any portion of the Project be operated as an assisted living facility which provides continual or frequent nursing, medical or psychiatric services; *provided, however* that nothing herein shall be understood to prohibit single-room-occupancy units occupied under month-to-month leases.

(e) All of the Units in the Project will be leased or rented, or available for lease or rental, on a continuous basis to members of the general public (other than (i) Units for resident managers or maintenance personnel, (ii) Units for Qualifying Tenants as provided for in Section 3 hereof, and (iii) Units which may be rented under the Section 8 assistance program, which units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section requirements), subject, however, to the requirements of Section 3(a) hereof. Each Qualifying Tenant (as hereinafter defined) occupying a Unit in the Project shall be required to execute a written lease with a stated term of not less than 30 days nor more than one year.

(f) Any functionally related and subordinate facilities (*e.g.*, parking areas, swimming pools, tennis courts, etc.) which are included as part of the Project will be of a character and size commensurate with the character and size of the Project, and will be made available to all tenants in the Project on an equal basis; fees will only be charged with respect to the use thereof if the charging of fees is customary for the use of such facilities at similar residential rental properties in the surrounding area (*i.e.*, within a one-mile radius), or, if none, then within comparable urban settings in the City of Chicago, and then only in amounts commensurate with the fees being

charged at similar residential rental properties within such area. In any event, any fees charged will not be discriminatory or exclusionary as to the Qualifying Tenants (as defined in Section 3 hereof). No functionally related and subordinate facilities will be made available to persons other than tenants or their guests.

(g) Each residential unit in the Project will contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for a single person or family.

(h) No portion of the Project will be used to provide any health club facility (except as provided in (f) above), any facility primarily used for gambling, or any store, the principal business of which is the sale of alcoholic beverages for consumption off premises, in violation of Section 147(e) of the Code.

Section 3. Occupancy Restrictions. The Owner represents, warrants and covenants with respect to the Project that:

(a) Pursuant to the election of the Issuer in accordance with the provisions of Section 142(d)(1)(A) of the Code, at all times during the Qualified Project Period with respect to the Project at least 40% of the completed Units in the Project shall be continuously occupied (or treated as occupied as provided herein) or held available for occupancy by Qualifying Tenants as herein defined. For purposes of this Agreement, "**Qualifying Tenants**" means individuals or families whose aggregate adjusted incomes do not exceed 60% of the applicable median gross income (adjusted for family size) for the area in which the Project is located, as such income and area median gross income are determined by the Secretary of the United States Treasury in a manner consistent with determinations of income and area median gross income under Section 8 of the United States Housing Act of 1937, as amended (or, if such program is terminated, under such program as in effect immediately before such determination).

(b) Prior to the commencement of occupancy of any unit to be occupied by a Qualifying Tenant, the prospective tenant's eligibility shall be established by execution and delivery by such prospective tenant of an Income Computation and Certification in the form attached hereto as **Exhibit B** (the "**Income Certification**") evidencing that the aggregate adjusted income of such prospective tenant does not exceed the applicable income limit. In addition, such prospective tenant shall be required to provide whatever other information, documents or certifications are reasonably deemed necessary by the Owner or the Issuer to substantiate the Income Certification.

(c) Not less frequently than annually, the Owner shall determine whether the current aggregate adjusted income of each tenant occupying any unit being treated by the Owner as occupied by a Qualifying Tenant exceeds the applicable income limit. For such purpose the Owner shall require each such tenant to execute and deliver the Income Certification; *provided, however*, that for any calendar year during which no unit in the Project is occupied by a new resident who is not a qualifying tenant, no Income Computation and Certification for existing tenants shall be required.

(d) Any unit vacated by a Qualifying Tenant shall be treated as continuing to be occupied by such tenant until reoccupied, other than for a temporary period not to exceed 31 days, at which time the character of such unit as a unit occupied by a Qualifying Tenant shall be redetermined.

(e) If an individual's or family's income exceeds the applicable income limit as of any date of determination, the income of such individual or family shall be treated as continuing not to exceed the applicable limit, provided that the income of an individual or family did not exceed the applicable income limit upon commencement of such tenant's occupancy or as of any prior income determination, and provided, further, that if any individual's or family's income as of the most recent income determination exceeds 140% of the applicable income limit, such individual or family shall cease to qualify as a Qualifying Tenant if, prior to the next income determination of such individual or family, any unit in the Project of comparable or smaller size to such individual's or family's unit is occupied by any tenant other than a Qualifying Tenant.

(f) The lease to be utilized by the Owner in renting any Unit in the Project to a prospective Qualifying Tenant shall provide for termination of the lease and consent by such person to eviction following 30 days' written notice, subject to applicable provisions of Illinois law (including for such purpose all applicable home rule ordinances), for any material misrepresentation made by such person with respect to the Income Certification with the effect that such tenant is not a Qualified Tenant.

(g) All Income Certifications will be maintained on file at the Project as long as the Bonds are outstanding and for five years thereafter with respect to each Qualifying Tenant who occupied a Unit in the Project during the period the restrictions hereunder are applicable, and the Owner will, promptly upon receipt, file a copy thereof with the Issuer.

(h) On the first day of the Qualified Project Period with respect to the Project, on the fifteenth days of January, April, July and October of each year during the Qualified Project Period with respect to the Project, and within 30 days after the final day of each month in which there occurs any change in the occupancy of a Unit in the Project, the Owner will submit to the Issuer a "Certificate of Continuing Program Compliance," in the form attached hereto as **Exhibit C** executed by the Owner with respect to the Project.

(i) The Owner shall submit to the Secretary of the United States Treasury (at such time and in such manner as the Secretary shall prescribe) with respect to the Project an annual certification on Form 8703 as to whether the Project continues to meet the requirements of Section 142(d) of the Code. Failure to comply with such requirement may subject the Owner to the penalty provided in Section 6652(j) of the Code.

Section 4. Rental Restrictions. The Owner represents, warrants and covenants with respect to the Project that once available for occupancy, each Unit in the Project will be rented or available for rental on a continuous basis to members of the general public (other than (a) Units for resident managers or maintenance personnel, (b) Units for Qualifying Tenants as provided for in Section 3 hereof, and (c) Units which may be rented under the Section 8 assistance program, which Units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section 8 requirements). If a Housing Assistance Payments Contract is subsequently entered into with respect to the Project under the Section 8 assistance program, in administering the restrictions hereunder with respect to the Project the Owner will comply with all Section 8 requirements.

Section 5. Transfer Restrictions. The Owner covenants and agrees that no conveyance, transfer, assignment or any other disposition of title to any portion of the Project (a "**Transfer**") shall be made prior to the termination of the Rental Restrictions and Occupancy

Restrictions hereunder with respect to the Project, unless the transferee pursuant to the Transfer assumes in writing (the "**Assumption Agreement**"), in a form reasonably acceptable to the Issuer, all of the executory duties and obligations hereunder of the Owner with respect to such portion of the Project, including those contained in this Section 5, and agrees to cause any subsequent transferee to assume such duties and obligations in the event of a subsequent Transfer by the transferee prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder with respect to the Project. The Owner shall deliver the Assumption Agreement to the Issuer at least 30 days prior to a proposed Transfer. This Section 5 shall not apply to any involuntary transfer pursuant to Section 1(c) hereof. This Section shall not be deemed to restrict the transfer of any partnership interest in the Owner or a transfer by foreclosure or deed in lieu of foreclosure.

Section 6. Enforcement

(a) The Owner shall permit all duly authorized representatives of the Issuer to inspect any books and records of the Owner regarding the Project and the incomes of Qualifying Tenants which pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(b) In addition to the information provided for in Section 3(i) hereof, the Owner shall submit any other information, documents or certifications reasonably requested by the Issuer, which the Issuer deems reasonably necessary to substantiate continuing compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(c) The Issuer and the Owner each covenant that it will not take or permit to be taken any action within its control that it knows would adversely affect the exclusion of interest on the Bonds from the gross income of the Holders thereof for purposes of federal income taxation pursuant to Section 103 of the Code. Moreover, each covenants to take any lawful action within its control (including amendment of this Agreement as may be necessary in the opinion of nationally recognized bond counsel selected by the Issuer) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

(d) The Owner covenants and agrees to inform the Issuer by written notice of any violation of its obligations hereunder within five business days of first discovering any such violation. If any such violation is not corrected to the satisfaction of the Issuer within the period of time specified by the Issuer, which shall be (i) the lesser of (A) 60 days after the effective date of any notice to or from the Owner, or (B) 75 days from the date such violation would have been discovered by the Owner by the exercise of reasonable diligence, or (ii) such longer period as may be necessary to cure such violation, provided bond counsel (selected by the Issuer) of nationally recognized standing in matters pertaining to the exclusion of interest on municipal bonds from gross income for purposes of federal income taxation issues an opinion that such extension will not result in the loss of such exclusion of interest on the Bonds, without further notice, the Issuer shall declare a default under this Agreement effective on the date of such declaration of default, and the Issuer shall apply to any, court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Agreement.

(e) The Owner and the Issuer each acknowledges that the primary purposes for requiring compliance with the restrictions provided in this Agreement are to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, and that the Issuer, on behalf of the owners of the Bonds, who are declared to be third-party beneficiaries of this Agreement, shall be entitled for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

(f) In the enforcement of this Agreement, the Issuer may rely on any certificate delivered by or on behalf of the Owner or any tenant with respect to the Project.

(g) Nothing in this Section shall preclude the Issuer from exercising any remedies it might otherwise have, by contract, statute or otherwise, upon the occurrence of any violation hereunder.

(h) Notwithstanding anything to the contrary contained herein, the Issuer hereby agrees that any cure of any default made or tendered by one or more of the Owner's partners shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 7. Covenants to Run with the Land. The Owner hereby subjects the Project, the Site and the Units to the covenants, reservations and restrictions set forth in this Agreement. The Issuer and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants, reservations and restrictions running with the land to the extent permitted by law, and shall pass to and be binding upon the Owner's successors in title to the Project, the Units, and the Site, throughout the term of this Agreement. Each and every contract, deed, mortgage, lease or other instrument hereafter executed covering or conveying the Project, the Units or the Site, or any portion thereof or interest therein (excluding any transferee of a membership interest in the Owner), shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed, mortgage, lease or other instrument.

Section 8. Recording. The Owner shall cause this Agreement and all amendments and supplements hereto to be recorded in the conveyance and real property records of Cook County, Illinois, and in such other places as the Issuer may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

Section 9. Agents of the Issuer. The Issuer shall have the right to appoint agents to carry out any of its duties and obligations hereunder, and shall, upon written request, certify in writing to the other party hereto any such City appointment.

Section 10. No Conflict with Other Documents. The Owner warrants and covenants that it has not and will not execute any other agreement with provisions inconsistent or in conflict with the provisions hereof (except documents that are subordinate to the provisions hereof), and the Owner agrees that the requirements of this Agreement are paramount and controlling as to the

rights and obligations herein set forth, which supersede any other requirements in conflict herewith.

Section 11. Interpretation. Any capitalized terms not defined in this Agreement shall have the same meaning as terms defined in the Bond Indenture and the Loan Agreement or Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

Section 12. Amendment. Subject to any restrictions set forth in the Bond Indenture, this Agreement may be amended by the parties hereto to reflect changes in Section 142(d) of the Code, the regulations hereafter promulgated thereunder and revenue rulings promulgated thereunder, or in the interpretation thereof.

Section 13. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 14. Notices. Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered and receipted for, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance), or on the first day after being sent by telegram, or on the third day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be given as provided for in the applicable sections of the Indenture.

Section 15. Governing Law. The laws of the State of Illinois shall govern the construction of this Agreement, without reference to its conflicts of laws principles.

Section 16. Limited Liability of Owner. Notwithstanding any other provision or obligation stated in or implied by this Agreement to the contrary, any and all undertakings and agreements of the Owner contained herein shall not (other than as expressly provided hereinafter in this paragraph) be deemed, interpreted or construed as the personal undertaking or agreement of, or as creating any personal liability upon, any past, present or future partner of the Owner, and no recourse (other than as expressly provided hereinafter in this paragraph) shall be had against the property of the Owner or any past, present or future partner of the Owner, personally or individually for the performance of any undertaking, agreement or obligation, or the payment of any money, under this Agreement or any document executed or delivered by or on behalf of the Owner pursuant hereto or in connection herewith, or for any claim based thereon. It is expressly understood and agreed that the Issuer and the registered owner of the Bonds, and its respective successors and assigns, shall have the right to sue for specific performance of this Agreement and to otherwise seek equitable relief for the enforcement of the obligations and undertakings of the Owner hereunder, including, without limitation, obtaining an injunction against any violation of this Agreement or the appointment of a receiver to take over and operate all or any portion of the Project in accordance with the terms of this Agreement. This Section shall survive termination of this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Land Use Restriction Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first above written.

CITY OF CHICAGO, as Issuer

By:_____
Name: Jill Jaworski
Title: Chief Financial Officer

(Seal)

ATTEST:

By: _____
Name: Andrea M. Valencia
Title: City Clerk

[City's Signature Page to Land Use Restriction Agreement for Indian Trails]

This Land Use Restriction Agreement

Acknowledged and agreed to:

TTG INDIAN TRAILS LIMITED PARTNERSHIP,
an Illinois limited partnership

By: TTG Indian Trails LLC,
an Illinois limited liability company

By: _____
Name: Charles Treatch
Title: Manager

By: _____
Name: Nicholas Tufano
Title: Manager

[Borrower's Signature Page to Land Use Restriction Agreement for Indian Trails]

STATE OF ILLINOIS)

) ss:

COUNTY OF COOK)

BEFOREME, the undersigned authority, on this day personally appeared Jill Jaworski and Andrea M. Valencia, the Chief Financial Officer and the City Clerk, respectively, of the City of Chicago, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "Issuer"), known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that each executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said Issuer.

GIVEN UNDER MY HAND and seal of office, this the _____ day of _____, 2025.

[SEAL]

_____
Notary Public in and for the State of Illinois

My commission expires on:

_____

STATE OF ILLINOIS)

) ss

COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Charles Treatch and Nicholas Tufano, personally known to me to be the managers of TTG Indian Trails, LLC, the general partner of TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "_____"), 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 severally acknowledged that as such officer, he signed and delivered the said instrument, as the free and voluntary act of such person, and as the free and voluntary act and deed of the Owner, for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of December, 2025.

_____
Notary Public

(SEAL)

My commission expires on:

_____

[(Sub)Exhibit "B" referred to in this Land-Use Restriction Agreement printed on pages 33025 through 33032 of this *Journal*.]

(Sub)Exhibits "A" and "C" referred to in this Land-Use Restriction Agreement read as follows:

(Sub)Exhibit "A".
(To Land-Use Restriction Agreement)

Legal Description Of Site.

Legal Description:

Commonly Known As:

Permanent Real Estate Index Numbers:

(Sub)Exhibit "C".
(To Land-Use Restriction Agreement)

Certificate Of Continuing Program Compliance.

The undersigned, on behalf of TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "Owner"), hereby certifies as follows:

1. The undersigned has read and is thoroughly familiar with the provisions of the Land-Use Restriction Agreement, dated as of December 1, 2025 (the "Land-Use Restriction Agreement"), between the City of Chicago and the Owner. All capitalized terms used herein shall have the meanings given in the Land-Use Restriction Agreement.

2. Based on Certificates of Tenant Eligibility on file with the Owner, as of the date of this Certificate the following number of completed Units in the Project: (i) are occupied by Qualifying Tenants (as such term is defined in the Land-Use Restriction Agreement); or (ii) were previously occupied by Lower-Income Tenants and have been vacant and not reoccupied except for a temporary period of no more than 31 days:

Occupied by Qualifying Tenants****: _____ Number of Units

**** A unit all of the occupants of which are full-time students does not qualify as a unit occupied by Qualifying Tenants, unless one or more of the occupants was entitled to file a joint tax return.

Previously occupied by Qualifying Tenants
(vacant and not reoccupied except for a
temporary period of no more than 31 days): _____ Number of Units

3. The total number of completed Units in the Project is _____.

4. The Total number in 2 is at least 40 percent of the total number in 3 above.

5. No Event of Default (as defined in the Land-Use Restriction Agreement) has occurred and is subsisting under the Land-Use Restriction Agreement, except as set forth in Schedule A attached hereto.

TTG Indian Trails Limited Partnership,
an Illinois limited partnership
company

By: _____

Name: Charles Treatch

Title: Manager

By: _____

Name: Nicholas Tufano

Title: Manager

[Schedule A referred in this Certificate of Continuing Program Compliance unavailable at time of printing.]

(Sub)Exhibit "B".
(To Land-Use Restriction Agreement)

Income Computation And Certification.

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR Part 5). You should make certain that this form is at all times up to date with HUD Regulations. All capitalized terms used herein shall have the meanings set forth in the Land Use Restriction Agreement, dated as of December 1, 2025, among the City of Chicago and TTG Indian Trails Limited Partnership, an Illinois limited partnership (the "Owner").

Re: Indian Trails Apartments
Chicago, IL

I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully and truthfully each of the following questions for all persons who are to occupy the unit in the above apartment project for which application is made. Listed below are the names of all persons who intend to reside in the unit:

Name of Members of the Household	**Relationship to Head of Household**	**Age**	**Social Security Number**	**Place of Employment**
	HEAD			
_____	_____	_____	_____	_____
_____	SPOUSE	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

6. **Total Anticipated Income**. The total anticipated income, calculated in accordance with this paragraph 6, of all persons listed above for the 12-month period beginning the date that I/we plan to move into a unit (i.e., _____) is $_____. Included in the total anticipated income listed above are:

(a) the full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(b) the net income from operation of a business or profession or net income from real or personal property (without deducting expenditures for business expansion or amortization or capital indebtedness); an allowance for depreciation of capital assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulation;

* The form of Income Computation and Certification shall be conformed to any amendments made to 24 CFR Part 5, or any regulatory provisions promulgated in substitution therefor.

include any withdrawal of cash or assets from the operation of a business or profession, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the above persons;

(c) interest and dividends (see 7(C) below);

(d) the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment;

(e) payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;

(f) the amount of any public welfare assistance payment; if the welfare assistance payment includes any amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance City in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(i) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilitics, plus

(ii) the maximum amount that the welfare assistance City could in fact allow the family for shelter and utilities (if the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph 6(f) shall be the amount resulting from one application of the percentage);

(g) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling; and

(h) all regular pay, special pay and allowances of a member of the Armed Forces.

Excluded from such anticipated total income are:

(a) income from employment of children (including foster children) under the age of 18 years;

(b) payment received for the care of foster children or foster adults;

(c) lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;

(d) amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(e) income of a live-in aide;

(f) the full amount of student financial assistance paid directly to the student or to the educational institution;

(g) special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(h) amounts received under training programs funded by the Department of Housing and Urban Development ("HUD");

(i) amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(j) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(k) a resident service stipend in a modest amount (not to exceed $200 per month) received by a resident for performing a service for the Owner, on a part-time basis, that enhances the quality of life in the Project, including, but not limited to, fire patrol, hall monitoring, lawn maintenance and resident initiatives coordination (no resident may receive more than one stipend during the same period of time);

(l) compensation from state or local employment training programs in training of a family member as resident management staff, which compensation is received under employment training programs (including training programs not affiliated with a local government) with clearly defined goals and objectives, and which compensation is excluded only for the period during which the family member participates in the employment training program;

(m) reparations payment paid by a foreign government pursuant to claims filed under the laws of that government for persons who were persecuted during the Nazi era;

(n) earnings in excess of $480 for each full-time student, 18 years or older, but excluding the head of household and spouse;

(o) adoption assistance payments in excess of $480 per adopted child;

(p) deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;

(q) amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;

(r) amounts paid by a state City to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;

(s) temporary, nonrecurring or sporadic income (including gifts); and

(t) amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

7. **Assets.**

(a) Do the persons whose income or contributions are included in Item 6 above:

(i) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles, equity in a housing cooperative unit or in a manufactured home in which such family resides, and interests in Indian trust land)? _____ Yes _____ No.

(ii) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value? _____ Yes _____ No.

(b) If the answer to (i) or (ii) above is yes, does the combined total value of all such assets owned or disposed of by -all such persons total more than $5,000? _____ Yes _____ No.

(c) If the answer to (b) above is yes, state:

(i) the total valuc of all such assets: $_____

(ii) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy of the unit that you propose to rent: $_____; and

(iii) the amount of such income, if any, that was included in Itcm 6 above: $_____.

8. **Full-time Students.**

(a) Are all of thc individuals who propose to reside in the unit full-time students? _____ Yes _____ No.

A full-time student is an individual enrolled as a full-time student (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended) during each of five calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a

regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, are at least two of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return? _____ Yes _____ No.

9. **Relationship to Project Owner**. Neither I nor any other occupant of the unit I/we propose to rent is the Owner, has any family relationship to the Owner, or owns directly or indirectly any interest in the Owner. For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member; ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trust held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

10. **Reliance**. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit and is relevant to the status under federal income tax law of the interest on obligations issued to provide financing for the apartment development for which application is being made. I/We consent to the disclosure of such information to the issuer of such obligations, the holders of such obligations, any fiduciary acting on their behalf and any authorized agent of the Treasury Department or the Internal Revenue Service. I/We declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable, and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.

11. **Further Assistance**. I/We will assist the Owner in obtaining any information or documents required to verify the statements made herein, including, but not limited to, either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding two calendar years.

12. **Misrepresentation.** I/We acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit, and may entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

I/We declare under penalty of perjury that the foregoing is true and correct. Executed this _____day of_____ in _____, Illinois.

_____ _____
Applicant Applicant

_____ Applicant
Applicant

[Signature of all persons over the age of 18 years listed in 2 above required.]

SUBSCRIBED AND SWORN to before me this ____day of _____

(NOTARY SEAL)

Notary Public in and for the State of _____

My Commission Expires: _____

FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

   a. Enter amount entered for entire household in 6 above: $_____

   b. (1) if the amount entered in 7(c)(i) above is greater than $5,000, enter the total amount entered in 7(c)(ii), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance ($_____);

   (2) multiply the amount entered in 7(c)(i) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(c)(ii) would be if invested in passbook savings ($_____), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance ($_____); and

   (3) enter at right the greater of the amount calculated under (1) or (2) above: $_____.

   c. TOTAL ELIGIBLE INCOME (Line 1.a plus line 1.b(3)): $_____

2. The amount entered in 1.c is:

_____Less than 80% of Median Gross Income for Area.**

** "Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(0(3) of the United States Housing

_____More than 80% of Median Gross Income for the Area."***

3. Number of apartment unit assigned:_____
Bedroom Size: _____ Rent: $_____

4. The last tenants of this apartment unit for a period of 31 consecutive days [had/did not have] aggregate anticipated annual income, as certified in the above manner upon their initial occupancy of the apartment unit, of less than 80% of Median Gross Income for the Area.

5. Method used to verify applicant(s) income:

_____ Employer income verification.
_____ Copies of tax returns.
_____ Other (_____)

_____
Owner or Manager

Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the method used by the Secretary prior to termination. "Median Gross Income for the Area" shall be adjusted for family size.

*** See footnote 2.

INCOME VERIFICATION

(for employed persons)

The undersigned employee has applied for a rental unit located in a project financed by the City of Chicago. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual wages _____

Overtime _____

Bonuses _____

Commissions _____

Total current income _____

I hereby certify that the statements above are true and complete to the best of my knowledge.

_____ _____ _____

Signature Date Title

I hereby grant you permission to disclose my income to TTG Indian Trails Limited Partnership, an Illinois limited partnership, in order that it may determine my income eligibility for rental of an apartment located in one of its projects which has been financed by the City of Chicago.

_____ _____

Signature Date

Please send to:

_____

_____

_____

INCOME VERIFICATION

(for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding two calendar years and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

_____ _____

Signature Date

INTERGOVERNMENTAL AGREEMENT WITH CHICAGO PARK DISTRICT FOR ALLOCATION OF TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR IMPROVEMENTS AT HOMAN SQUARE PARK, 3517 W. ARTHINGTON ST.
[O2025-0019921]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance concerning the authority to enter into and execute an intergovernmental agreement with the Chicago Park District for the allocation of Tax Increment Financing (TIF) funds from the Homan Arthington TIF District for the improvements at Homan Square Park, 3517 West Arthington Street (24th Ward) (O2025-0019921), in an amount not to exceed $600,000 TIF, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois and, as such, is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

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

WHEREAS, Under 65 ILCS 5/11-74.4-3(q)(7), incremental ad valorem taxes, which pursuant to the Act, have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of a redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, The Park District is a taxing district under the Act; and

WHEREAS, The Park District is engaged in an ongoing program of construction and renovation projects at its parks and other Park District facilities ("Park Projects"); and

WHEREAS, Pursuant to an ordinance adopted by the City Council of the City (the "City Council") on February 24, 2021, and published in the *Journal of the Proceedings of the City Council of the City of Chicago* for such date at pages 27586 through 27604, the City Council approved a form of an intergovernmental agreement attached thereto for a project at Donovan Park (the "Form Agreement"); and

WHEREAS, The Park District owns a park identified in Exhibit A (the "Park") located on the property identified in Exhibit A (the "Property"); and

WHEREAS, The Park District desires to undertake certain improvements to the Park as identified in Exhibit A (the "Project"); and

WHEREAS, The Property lies wholly within the boundaries of the Redevelopment Area (as hereinafter defined); and

WHEREAS, In accordance with the provisions of the Act, the City Council: (i) approved and adopted a redevelopment plan and project (the "Plan") for a portion of the City identified on Exhibit A (the "Redevelopment Area"); (ii) designated the Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Redevelopment Area, pursuant to ordinances (collectively, the "TIF Ordinances") adopted on the date (or dates, if subsequently amended) and published in the *Journal* for such date(s), identified on Exhibit A; and

WHEREAS, Increment collected from the Redevelopment Area shall be known as the "Redevelopment Area Increment"; and

WHEREAS, The Department of Planning and Development of the City desires to use a portion of the Redevelopment Area Increment in an amount not to exceed the amount identified in Exhibit A for the purpose of wholly or partially funding certain costs of the Project (the "TIF-Funded Improvements") to the extent and in the manner provided in this ordinance and the Agreement (as hereinafter defined); and

WHEREAS, A detailed budget for the Project (the "Project Budget") and an itemized list of the TIF-Funded Improvements are each incorporated into Exhibit A; and

WHEREAS, The Plan contemplates that tax increment financing assistance would be provided for public improvements, such as the Project, within the boundaries of the Redevelopment Area; and

WHEREAS, In accordance with the Act, the TIF-Funded Improvements shall include such of the Park District's capital costs necessarily incurred or to be incurred in furtherance of the objectives of the Plan, and the City has found that the TIF-Funded Improvements consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act; and

WHEREAS, The City and the Park District wish to enter into an intergovernmental agreement in substantially similar form to the Form Agreement, substituting the Project-specific terms with the information contained in Exhibit A, whereby the City shall pay for or reimburse the Park District for the TIF-Funded Improvements related to the Project (the "Agreement"); now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The City hereby finds that the TIF-Funded Improvements, among other eligible redevelopment project costs under the Act approved by the City, consist of the cost of the Park District's capital improvements that are necessary and directly result from the redevelopment project constituting the Project and, therefore, constitute "taxing districts' capital costs" as defined in Section 5/11-74.4-3(u) of the Act.

SECTION 3. The Commissioner of Planning and Development and a designee are each hereby authorized, subject to approval by the City's Corporation Counsel, to negotiate, execute and deliver the Agreement and such other documents as may be necessary to carry out and comply with the provisions of the Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Agreement on behalf of the City.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

1. Park:

   Homan Square Park.

2. Property Common Address:

   3517 West Arthington Street, Chicago, Illinois 60624.

3. Project:

   The project at Homan Square Park will include the replacement of the soft playground surface while keeping the existing play structure in place but with new features. Additional enhancements to the site will include the installation of an outdoor fitness circuit and the construction of a new walking path.

4. Amount Of Redevelopment Area Increment:

   Not to exceed $600,000.

5. Project Budget:

Sources	Amount
Homan Arthington TIF	$600,000
Total:	$600,000

Uses	Amount
Design	$ 50,000
Playground soft surface and equipment upgrade	300,000
New outdoor fitness circuit	180,000
New walking path	70,000
Total:	$600,000

6. TIF-Funded Improvements:

The improvement will include the replacement of the soft playground surface, installation of an outdoor fitness circuit and the construction of a new walking path.

7. Redevelopment Area:

Homan Arthington.

8. Date Of Adoption And *Journal* Page Numbers Of TIF Ordinances (Including Any Amendments):

Under ordinances (the "TIF Ordinances") adopted on February 5, 1998, and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of the City Council (the "City Council") for such date at pages 60833 through 60916, the City Council: (i) approved a redevelopment plan and project (the "Homan Arthington Project Plan") for the Homan Arthington Redevelopment Project Area; (ii) designated the Homan Arthington Redevelopment Project Area as a "redevelopment project area" within the requirements of the Act; and (iii) adopted tax increment financing for the Homan Arthington Redevelopment Project Area. The TIF Ordinances were amended by ordinances adopted on November 19, 2014, April 24, 2020 and November 16, 2022.

EXECUTION OF REDEVELOPMENT AGREEMENT WITH AND ISSUANCE OF TAX INCREMENT FINANCING ASSISTANCE FUNDS TO HISPANIC HOUSING DEVELOPMENT CORPORATION FOR REDEVELOPMENT OF PROPERTY LOCATED AT 1539 N. PULASKI RD.

[O2025-0019913]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance authorizing the execution of a redevelopment agreement and issuance of tax increment financing assistance funds and other financial assistance to Hispanic Housing Development Corporation and related entities for the redevelopment of property located at 1539 North Pulaski Road (26th Ward) (O2025-0019913), in an amount not to exceed $13,244,690 TIF and $510,000 landmark funds, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, has heretofore found and does hereby find that there exists within the City a serious shortage of decent, safe and sanitary rental housing available to persons of low- and moderate-income; and

WHEREAS, The City has determined that the continuance of a shortage of affordable rental housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, 1539 N. Pulaski Road HHDC, L.P., an Illinois limited partnership (the "Owner"), has submitted a proposal (the "Project") to the Department of Planning and Development ("DPD") to redevelop with 1539 N. Pulaski Road Charitable Corporation, an Illinois not-for-profit corporation ("Charitable Corporation", and together with Owner, the "Developer") certain real property located at 1539 North Pulaski Road, Chicago, Illinois 60651 (as legally described in Exhibit C, the "Property"). The Project will include the redevelopment of the Property into an approximately 63,370-square-foot residential development consisting of adaptive re-use of a vacant historic property and attached new construction, providing 60 affordable rental housing units containing (58) one-bedroom units, (2) two-bedroom units and supportive services; and

WHEREAS, Pursuant to an ordinance adopted by the City Council of the City (the "City Council") on June 9, 1999, and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of such date at pages 3704 through 3885, under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, et seq., as amended (the "Act"), City Council: (i) approved "The Pulaski Corridor Tax Increment Financing Redevelopment Plan and Project" (the "Plan") for a portion of the City known as the "Pulaski Corridor Redevelopment Project Area" (the "Area"); (ii) designated the Area as a "redevelopment project area" within the requirements of the Act and; (iii) adopted tax increment allocation financing pursuant to the Act as a means of financing certain Redevelopment Project Costs (as defined in the Act) incurred pursuant to the Plan (as amended from time to time, the "TIF Ordinance"); and

WHEREAS, City Council amended the Plan pursuant to an ordinance adopted on October 3, 2012, and published in the *Journal* of such date at pages 33746 through 33748; and

WHEREAS, City Council amended the Plan further pursuant to an ordinance adopted on July 30, 2014, and published in the *Journal* of such date at pages 84883 through 84886; and

WHEREAS, City Council amended the Area pursuant to an ordinance adopted on December 14, 2022, and published in the *Journal* of such date at pages 57602 through 57733; and

WHEREAS, The Property is located in the Area; and

WHEREAS, The Project is consistent with the goals and objectives of the Plan and necessary for the redevelopment of the Area; and

WHEREAS, Developer will be obligated to undertake the Project in accordance with the terms and conditions of a proposed redevelopment agreement to be executed by Developer and the City, with the Project to be financed in part by a portion of Incremental Taxes, if any, deposited in the TIF Fund (hereinafter defined) pursuant to Section 5/11-74.4-8(b) of the Act; and

WHEREAS, Section 17-4-1000, et seq., of the Municipal Code of Chicago (the "Municipal Code") authorizes the City to award floor area bonuses to projects located in "D" districts in return for a financial contribution to the City ("Bonus Payment"); and

WHEREAS, The Bonus Payment is deposited into three funds: (i) the Neighborhood Opportunity Fund; (ii) the Citywide Adopt-a-Landmark Fund (which receives 10 percent of each Bonus Payment); and (iii) the Local Impact Fund; and

WHEREAS, The purpose of the Citywide Adopt-a-Landmark Fund is to finance landmark restoration projects; and

WHEREAS, Pursuant to Section 17-4-1006-C-4 of the Chicago Zoning Ordinance, DPD developed a list of funding priorities for the award of grants under the Citywide Adopt-a-Landmark Fund ("Funding Priorities"); and

WHEREAS, On May 17, 2023, DPD announced that it was accepting applications for landmark restoration projects; and

WHEREAS, DPD received 31 applications, four of which were eliminated because they did not satisfy the eligibility criteria (for example, the subject building is not a designated landmark); and

WHEREAS, DPD evaluated the applications based on the Funding Priorities, and determined that the application of Hispanic Housing Development Corporation, an Illinois not-for-profit corporation and an affiliate of Charitable Corporation ("Hispanic Housing") was one of the applications that best satisfied the Funding Priorities; and

WHEREAS, By an ordinance adopted on March 15, 2023, and published in the *Journal* of such date at pages 61558 through 61563, inclusive, the City Council designated the building located on the Property, and commonly known as the Pioneer Arcade Building, a Chicago Landmark; and

WHEREAS, The City wishes to award Hispanic Housing a grant in the amount of $510,000 from funds deposited in the Citywide Adopt-a-Landmark Fund ("Landmark Funds") for the Project; and

WHEREAS, On August 7, 2025, the Commission on Chicago Landmarks passed a resolution (the "Landmark Resolution"), recommending approval of the use of Landmark Funds for the Project, and approving the scope of work and budget for the Project, and setting forth certain conditions of approval; and

WHEREAS, The Landmark Resolution is attached hereto as Exhibit B; and

WHEREAS, The Project identified in the Landmark Resolution satisfies, the requirements of Section 17-4-1006-C of the Chicago Zoning Ordinance with respect to authorized uses of the Citywide Adopt-a-Landmark Fund; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 3. Upon the approval and availability of the Additional Financing as shown on Exhibit A hereto, the Commissioner of Planning and Development (the "Commissioner") or a designee or successor thereof (the "Authorized DPD Officer") and the Commissioner of Housing or a designee or successor thereof (the "Authorized DOH Officer", together with Authorized DPD Officer, the "City Authorized Officer") are each hereby authorized, with the approval of the Corporation Counsel as to form and legality, to negotiate, execute and deliver a redevelopment agreement between Developer and the City in connection with payment of the Redevelopment Project Costs with the tax increment financing ("TIF") funds, substantially in the form attached hereto as Exhibit D and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such modifications as are required under the HUD Section 202 Supportive Housing for the Elderly program, 12 USC Section 1701q and 24 CFR Part 891, and HUD's "mixed finance" combination of a Section 202 capital advance with federal low-income housing tax credits (collectively, the "Section 202 Program"), and with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement, with such execution to constitute conclusive evidence of the City Authorized Officer's approval of any changes or revisions from the form of Redevelopment Agreement attached to this Ordinance.

SECTION 4. The City Council hereby finds that the City is authorized to pay an aggregate amount equal to $13,244,690 ("City Funds") from Incremental Taxes deposited in the general account of the TIF Fund (the "General Account"), to Developer to finance a portion of costs included within the Project and eligible under the Act. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this Section 4.

SECTION 5. The City is hereby authorized to distribute Landmark Funds in the amount of $510,000 to Hispanic Housing to pay for eligible costs of the Project as permitted under Section 17-4-1006 of the Chicago Zoning Ordinance and in accordance with and subject to the Landmark Resolution, and such Landmark Funds are hereby appropriated for the Project.

SECTION 6. Pursuant to the TIF Ordinance, the City has created the TIF Fund (the "TIF Fund"). The City Comptroller (or his or her designee) is hereby directed to maintain the TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Area shall be deposited into the TIF Fund. The City shall use the funds in the TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 7. The Mayor, the City Comptroller, the City Clerk and the other officers of the City, are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this ordinance, as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this ordinance.

SECTION 8. The Project (as described on Exhibit A hereto) shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code of Chicago (the "Municipal Code"). Section 5-11-110 of the Municipal Code does not apply to the Project.

SECTION 9. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 10. This ordinance shall be effective as of the date of its passage and approval.

[Exhibit "B" referred to in this ordinance unavailable at time of printing.]

Exhibits "A", "C" and "D" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

Additional Financing Terms.

Project: Developer shall redevelop a building located at 1539 North Pulaski Road, Chicago, Illinois 60651, into an approximately 63,370-square-foot residential development consisting of adaptive re-use of a vacant historic property and attached new construction, providing 60 affordable rental housing units containing (58) one-bedroom units, (2) two-bedroom units, plus one (1) two-bedroom non-rental manager's unit and supportive services.

TIF Grant: Source: Tax Increment Financing.

Amount: Not to exceed $13,244,690.

Additional Financing:

1. Construction Equity Bridge Loan-Secured:

   Amount: Approximately $11,800,000 or such amount acceptable to Authorized DPD Officer.

   Source: Associated Bank or such other source acceptable to Authorized DPD Officer.

   Interest Rate: Approximately 8 percent (variable) or such interest rate acceptable to Authorized DPD Officer.

   Term: Approximately 42 months or such term acceptable to Authorized DPD Officer.

   Security: First Lien Priority Mortgage, Pledge of Investor Equity and such other security acceptable to Authorized DPD Officer.

2. Construction TIF Bridge Loan:

   Amount: Approximately $12,300,000 or such amount acceptable to Authorized DPD Officer.

   Source: Associated Bank or such other source acceptable to Authorized DPD Officer.

Interest Rate: Approximately 8.5 percent (variable) or such interest rate acceptable to Authorized DPD Officer.

Term: Approximately 30 months or such term acceptable to Authorized DPD Officer.

Security: Assignment of Redevelopment Agreement.

3. Construction And Permanent Loan:

Amount: $6,000,000 or such amount acceptable to Authorized DPD Officer.

Source: United States Department of Housing and Development pursuant to its Section 202 Supportive Housing for the Elderly program. These Capital Advance funds will be initially received by Charitable Corporation and subsequently contributed to the Owner as a general partner capital contribution.

Interest Rate: Approximately 8 percent or such interest rate acceptable to Authorized DPD Officer regarding recapture promissory note by Charitable Corporation in favor of HUD.

Term: Approximately 42 years (2 construction and 42 years permanent) or such other term acceptable to Authorized DPD Officer.

Security: Second Lien Priority Mortgage granted by Owner in favor of HUD to secure HUD recapture of Capital Advance proceeds or such other security acceptable to Authorized DPD Officer.

4. Sponsor Loan Construction And Permanent:

Amount: Approximately $13,200,000 or such amount acceptable to Authorized DPD Officer.

Source: Charitable Corporation.

Interest Rate: Approximately 0 percent or such interest rate acceptable to Authorized DPD Officer.

Term: Approximately 42 years (2 construction and 42 years permanent) or such other term acceptable to Authorized DPD Officer.

Security: Fourth Lien Priority Mortgage granted by Owner, which will be subordinate to the Third Lien Priority Mortgage granted by Owner in favor of the City to secure City's recapture right set forth in the Redevelopment Agreement.

5. Sponsor Loan Construction And Permanent:

Amount: Not to exceed $510,000 or such amount acceptable to Authorized DPD Officer.

Source: Adopt-a-Landmark grant by DPD to Hispanic Housing and subsequent loan to Owner.

Interest Rate: Approximately 7 percent or such interest rate acceptable to Authorized DPD Officer.

Term: Approximately 42 years (2 construction and 42 years permanent) or such other term acceptable to Authorized DPD Officer.

Security: Fifth Lien Priority Mortgage granted by Owner, which will be subordinate to the Third Lien Priority Mortgage granted by Owner in favor of the City to secure City's recapture right set forth in the Redevelopment Agreement.

6. Sponsor Loan Construction And Permanent:

Amount: Approximately $225,000 or such amount acceptable to Authorized DPD Officer.

Source: ComEd Energy Efficiency Program for Affordable Housing grant to Hispanic Housing and subsequent loan to Owner.

Interest Rate: Approximately 7 percent or such interest rate acceptable to Authorized DPD Officer.

Term: Approximately 42 years (2 construction and 42 years permanent) or such other term acceptable to Authorized DPD Officer.

Security: Sixth Lien Priority Mortgage granted by Owner, which will be subordinate to the Third Lien Priority Mortgage granted by Owner in favor of the City to secure City's recapture right set forth in the Redevelopment Agreement.

7. Equity:

Amount: Approximately $16,198,170 or such other amount acceptable to the Authorized DPD Officer.

Source: Owner (via its federal low-income housing tax credit investor limited partner).

8. Equity:

Proceeds: Approximately $10,100.

Source: Owner (via its general partner).

Exhibit "C".
(To Ordinance)

Legal Description (subject to survey and title insurance):

Lots 12, 13, 14, 15, 16, 17, 18 and 19 in Block 1 in Hosmer and Mackey's Subdivision of Blocks 1 to 6 and 12 to 16, both inclusive, in subdivision of the west half of the northwest quarter of Section 2, Township 39 North, Range 13, lying east of the Third Principal Meridian, in Cook County, Illinois.

Commonly Known As:

1525 -- 1539 North Pulaski Road
Chicago, Illinois.

Property Index Numbers:

16-02-100-006-0000;

16-02-100-007-0000;

16-02-100-008-0000;

16-02-100-009-0000; and

16-02-100-010-0000.

Exhibit "D".
(To Ordinance)

1539 N. Pulaski Road HHDC Redevelopment Agreement With Hispanic Housing Development Corporation.

This 1539 N. Pulaski Road HHDC Redevelopment Agreement (this "Agreement") is made as of this [_____] day of [_____, 20_], by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), 1539 N. Pulaski Road HHDC, LP, an Illinois limited partnership ("Owner"), and 1539 N. Pulaski Road Charitable Corporation, an Illinois not-for-profit corporation ("1539 Charitable Corporation," and together with Owner, the "Developer"), and Hispanic Housing Development Corporation, an Illinois not for profit corporation ("HHDC").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act and in accordance with the provisions of the Act, the City Council of the City (the "City Council"): (i) approved and adopted a redevelopment plan and project (the "Redevelopment Plan") for the Pulaski Corridor redevelopment project area (the "Redevelopment Area"); (ii) designated the Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Redevelopment Area, pursuant to ordinances (item (3), the "TIF Adoption Ordinance" and items (1) – (3) collectively the "Original TIF Ordinances) adopted on January 26, 1999 and published in the Journal of the Proceedings of the City Council (the "Journal") for such date at pages 3704-3885; which Original TIF Ordinances were amended on October 3, 2012 and published in the Journal for such date at pages 33746-33748, and were further amended on July 30, 2014 and published in the Journal for such date at pages 84883-84886, and were further

amended on December 14, 2022 and published in the Journal for such date at pages 57602-57733 (as amended by such amending ordinances, collectively the "TIF Ordinances").

D. The Project: The Owner owns certain property located within the Redevelopment Area at 1539 North Pulaski Road, Chicago, Illinois 60651 and legally described on Exhibit A (the "Property"), and, within the time frames set forth in Section 3.01, the Developer shall redevelop the Property into an approximately 63,370 square foot residential development consisting of adaptive re-use of a vacant historic property and attached new construction, providing 61 total units, of which there will be fifty-eight (58) one-bedroom rental units, two (2) two-bedroom rental units and one (1) two-bedroom manager's unit, and supportive services (the "Facility") thereon. The 60 rental units will be leased to low-income and very low-income elderly persons (defined as a household composed of one or more persons at least one of whom is 62 years of age or more at time of initial occupancy). The "Project" means the Facility and related improvements, including but not limited to the Landmark Project (as defined below) and the TIF-Funded Improvements defined below and set forth on Exhibit B. The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: Developer will carry out the Project in accordance with this Agreement and the Redevelopment Plan.

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

G. Adopt-a-Landmark Funds:

(i) Section 17-4-1000 of the Chicago Zoning Ordinance (the "Downtown Bonus Ordinance") authorizes the City to award floor area bonuses to projects located in "D" districts in return for a financial contribution to the City ("Bonus Payment").

(ii) The Bonus Payment is deposited into three funds: (i) the Neighborhood Opportunity Fund, (ii) the Citywide Adopt-a-Landmark Fund (which receives 10% of each Bonus Payment), and (iii) the Local Impact Fund.

(iii) The purpose of the Citywide Adopt-a-Landmark Fund is to finance landmark restoration projects.

(iv) Pursuant to Section 17-4-1006-C-4 of the Chicago Zoning Ordinance, DPD developed a list of funding priorities for the award of grants under the Citywide Adopt-a-Landmark Fund ("Funding Priorities").

(v) On May 17, 2023, DPD announced that it was accepting applications for landmark restoration projects.

(vi) DPD received seventeen (31) applications, including an application submitted by HHDC for significant exterior masonry and storefront work to the Pioneer Arcade Building located on the Property;

(vii) DPD evaluated the applications based on the Funding Priorities, and determined that HHDC's application was one of the applications that best satisfied the Funding Priorities.

(viii) By ordinance adopted on March 15, 2023, the City Council designated the building located on the Property, and commonly known as the Pioneer Arcade Building, a Chicago Landmark (the "Landmark Building").

(ix) The Landmark Building requires certain preservation work, as described in the scope of work ("Landmark Project Scope of Work") and budget ("Landmark Project Budget") attached hereto as Exhibit C-2 (such work, the "Landmark Project").

(x) On August 7, 2025, the Commission on Chicago Landmarks approved the Landmark Project subject to the "Conditions of Approval" attached hereto as part of Exhibit D, and recommended the use of City AAL Funds for the Landmark Project (the "Project Resolution").

(xi) The Landmark Project satisfies the requirements of Sec. 17-4-1006-C of the Chicago Zoning Ordinance with respect to authorized uses of the Citywide Adopt-a-Landmark Fund.

(xii) DPD wishes to award HHDC a grant of City AAL Funds in the amount of $510,000 to undertake the Landmark Project.

(xiii) HHDC desires to accept the City AAL Funds and perform the Landmark Project in accordance with this Agreement.

H. HUD Financing and Restrictions. HHDC was awarded a Six Million Dollar ($6,000,000) capital advance award agreement (the "Capital Advance") from HUD pursuant to the Section 202 Supportive Housing for the Elderly program, 12 U.S.C. Section 1701q, its implementing regulations published at 24 CFR Part 891 and all applicable HUD handbooks, notices, requirements and administrative directives (collectively, the "Section 202 Program"). With HUD's consent, HHDC has assigned its Capital Advance award agreement to its Affiliate 1539 Charitable Corporation. 1539 Charitable Corporation will cause the Capital Advance proceeds to be contributed to the Owner through a general partner capital contribution. In exchange for its receipt of the Capital Advance, the Owner will execute and record certain Section 202 Program liens and encumbrances against the Property, including a Capital Advance Mixed Finance Program Use Agreement (HUD 90163.1-CA), a Capital Advance Program Mixed-Finance Regulatory Agreement (HUD 92466.1-CA) and a HUD Capital Advance Program Mortgage (HUD 90165-CA) (the foregoing Use Agreement and Regulatory Agreement are collectively, the "HUD Restrictions"). In accordance with the Section 202 Program and the HUD Capital Advance Program Mortgage (the "HUD Mortgage"), this Agreement will be subordinate in all respects to the HUD Mortgage and HUD Restrictions, all as set forth in greater detail in the

HUD Rider attached to this Agreement as Exhibit E and incorporated into this Agreement as provided in Section 18.21.

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

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define, or expand the content thereof. Developer agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	**List of Exhibits**
1. Recitals, Headings and Exhibits 2. Definitions 3. The Project 4. Financing 5. Conditions Precedent 6. Agreements with Contractors 7. Completion of Construction or Rehabilitation 8. Covenants/Representations/Warranties of Developer 9. Covenants/Representations/Warranties of the City 10. Developer's Employment Obligations 11. Environmental Matters 12. Insurance 13. Indemnification 14. Maintaining Records/Right to Inspect 15. Defaults and Remedies 16. Mortgaging of the Project 17. Notice 18. Miscellaneous	A *Legal Description of the Property B *Project Budgets (Project Budget, MBE/WBE Budget, TIF-Funded Improvements) C-1 Prior Expenditures C-2 *Adopt-a-Landmark Eligible Costs D *Project Resolution, including Conditions of Approval (An asterisk (*) indicates which exhibits are to be recorded.)

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, and unless otherwise specified, references to Recitals, Sections, Articles and Exhibits are references to Recitals, Sections, Articles and Exhibits of this Agreement:

"Act" is defined in the Recitals.

"Adopt-a-Landmark Eligible Costs" shall mean those improvements of the Project which (i) qualify as eligible expenses under Section 17-4-1006-C of the Municipal Code, and (ii) the City has agreed to pay for out of the City AAL Funds, subject to the terms of this Agreement. Exhibit C-2 lists the Adopt-a-Landmark Eligible Costs for the Project.

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

"Annual Compliance Report" means a signed report from Developer to the City (a) itemizing each of Developer's obligations under this Agreement during the preceding calendar year, (b) certifying Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Developer is not in default with respect to any provision of this Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Affordable Housing Covenant (Section 8.26); (2) compliance with the Jobs Creation report (Section 8.06); (3) delivery of Financial Statements and unaudited financial statements (Section 8.13); (4) delivery of updated insurance certificates, if applicable (Section 8.14); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (6) delivery of evidence of compliance with the Sustainable Development Policy (Section 8.22); (7) compliance with the Increment and Rate of Return Reporting (Section 8.25); and (8) compliance with all other executory provisions of this Agreement.

"ATS Manual" means the 2023 version of the Architectural and Technical Standards Manual (ATS Manual) issued by DOH.

"Available Project Funds" means: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity, (iv) the undisbursed City AAL Funds, (v) the undisbursed ComEd funds identified in Section 4.01, and (vi) any other amounts deposited by Developer pursuant to this Agreement.

"Bonus Payment" is defined in the Recitals.

"Certificate" means the Certificate of Completion of Construction or Rehabilitation described in Section 7.01.

"Change Order" means 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.

"City AAL Funds" shall mean the grant of $510,000 in Adopt-a-Landmark funds from the City for the Project, subject to the conditions described in Section 4.09 hereof.

"City Contract" is defined in Section 8.01(l).

"City Council" is defined in the Recitals.

"City Funds" is defined in Section 4.03(b).

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

"Commissioner" means the Commissioner of Planning and Development of the City.

"Contaminant" means any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

"Construction Contract" means the construction contract to be entered into between Developer and the General Contractor providing for construction of the Project.

"Corporation Counsel" means the City's Department of Law.

"CSI/ROR" shall mean the Comprehensive Site Investigation and Remediation Objectives Report required by the IEPA in order to receive a Final Comprehensive Residential NFR Letter.

"Davis-Bacon Act" means the Davis-Bacon Act, as amended (40 U.S.C. Section 3141 et seq.).

"DOH" means the City's Department of Housing.

"Downtown Bonus Ordinance" is defined in the Recitals.

"EDS" means the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

"Employer(s)" is defined in Section 10.

"Environmental Law(s)" means any Federal, state, or local law, statute, ordinance, code, rule, permit, plan, regulation, license, authorization, order, or injunction which pertains to health, safety, any Hazardous Substance or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks) and shall include, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 *et seq.*; the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*; the Hazardous Material Transportation Act, 49 U.S.C. § 1801 *et seq.*; the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 *et seq.* ("CERCLA"), as amended by the Superfund Amendments and Reauthorization Act of 1986 ("SARA"); the Occupational Safety and Health Act, 29 U.S.C. § 651 *et seq.*; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 *et seq.*; the Clean Air Act, 42 U.S.C. § 7401 *et seq.*; the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.*; the Gasoline Storage Act, 430 ILCS 15/0.01 *et seq.*; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago ("MWRD"); the Municipal Code of the City of Chicago; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or hereafter

promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

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

"Escrow" means the construction escrow established pursuant to the Escrow Agreement.

"Escrow Agreement" means the Construction Loan Disbursement Agreement establishing a construction escrow, to be entered into as of the date of this Agreement by the City, if applicable, the Title Company (or an affiliate of the Title Company), Developer and Developer's lender(s), in a form acceptable to the City.

"Event of Default" is defined in Section 15.

"Existing Mortgage" is defined in Article 16.

"Facility" is defined in the Recitals.

"Family" means one or more individuals, whether or not related by blood or marriage.

"Final Comprehensive Residential NFR Letter" shall mean a final comprehensive residential "No Further Remediation" letter issued by the IEPA approving the use of the Property for the construction, development and operation of the Project in accordance with the site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final Comprehensive Residential NFR Letter shall state that the Property meets remediation objectives for residential properties and the construction worker exposure route as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

"Financial Interest" is defined in Section 2-156-010 of the Municipal Code.

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

"Full-Time Equivalent Employee" or "FTE" shall mean an employee of Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent position at least 35 hours per week at the Project during the applicable year, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by Developer or by third parties in positions ancillary to Developer's operations at the Project including, without limitation, food service workers, security guards, cleaning personnel, or similar positions.

"Funding Priorities" is defined in the Recitals.

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

"Hazardous Building Material Survey" shall include (but is not limited to) asbestos and lead-based paint survey, visually inspecting the Site to determine the presence and location of polychlorinated-biphenyl (PCB)-containing equipment and materials (such as lighting ballasts, switchgears, transformers, and hydraulic fluids), mercury-containing equipment and materials (mercury lamps, thermostats, switches, thermometers, regulators, and gauges), radioactive material-containing equipment and/or waste, medical wastes (such as biological or infectious wastes, hazardous chemicals, and/or wastes), refrigerants such as chlorofluorocarbons (CFCs), large appliances or equipment, mold, or any other materials that may require special handling or disposal during or after demolition.

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

"Hazardous Substance" has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

"HUD" means the United States Department of Housing and Urban Development.

"Human Rights Ordinance" is defined in Section 10.

"IEPA" shall mean the Illinois Environmental Protection Agency.

"In Balance" is defined in Section 4.07.

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

"Indemnitee" and "Indemnitees" are defined in Section 13.01.

"Junior Mortgage" shall mean a Junior Mortgage executed by the Developer as mortgagor, in favor of the City, as mortgagee, securing certain of the Developer's obligations under this Agreement and the Junior Mortgage; and which shall be a second mortgage except where, as here, the Lender Financing includes two separate prior mortgage loans, in which event the Junior Mortgage shall be a third mortgage.

"Landmark Building" is defined in the Recitals.

"Landmark Project" is defined in the Recitals.

"Landmark Project Budget" is defined in the Recitals.

"Landmark Project Scope of Work" is defined in the Recitals.

"Lender" means Associated Bank, N.A. and such other lenders as are acceptable to the City.

"Lender Financing" means (i) funds borrowed by Owner from lenders, and (2) such other funds and funders specifically identified in Section 4.01 of this Agreement as part of Lender Financing, all of which shall be irrevocably available to pay for costs of the Project, in the amount set forth in Section 4.01.

"Limited Partner" means NEF Assignment Corporation, an Illinois not for profit corporation, as nominee, and its successors and assigns, or another entity acceptable to the City, in its sole discretion.

"Losses" means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses, consultants' fees and expenses and court costs), and shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances, and (b) costs imposed under any Environmental Law enacted after Closing.

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

"MBE/WBE Budget" means the MBE/WBE Budget attached as Exhibit B, as described in Section 10.03.

"MBE/WBE Program" is defined in Section 10.03.

"Municipal Code" means the Municipal Code of the City of Chicago, as amended from time to time.

"New Mortgage" is defined in Article 16.

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

"Other Regulated Material" means any Waste, Contaminant, material meeting 35 IAC Part 742.305, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, or (b) is a hazard to the environment or to the health or safety of persons.

"Permitted Liens" means (i) mortgages against the Property and/or the Project recorded on or before the date of this Agreement and securing the Lender Financing, (ii) leases of portions of the Property entered into after the date hereof in Developer's ordinary course of business, if any, and (iii) those matters set forth as Schedule B title exceptions in the Title Policy, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

"Permitted Mortgage" is defined in Article 16.

"Phase I ESA" shall mean a Phase I environmental site assessment of the Property in accordance with ASTM E-1527-21 (as most recently updated at the time of assessment).

"Phase II ESA" shall mean a Phase II environmental site assessment of the Property in accordance with ASTM E-1903-19 (as most recently updated at the time of assessment).

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

"Prior Expenditures" is defined in Section 4.05(a).

"Project" is defined in the Recitals.

"Project Budget" means the Project Budget attached as Exhibit B, showing the total cost of the Project by line item, furnished by Developer to DPD, in accordance with Section 3.03.

"Project Resolution" is defined in the Recitals.

"Property" is defined in the Recitals.

"RACR" shall mean the Remedial Action Completion Report required by the IEPA in order to receive a no further remediation letter under the Site Remediation Program.

"RAP" shall mean the Remedial Action Plan document required by the IEPA in order to receive a final no further remediation letter.

"RAP Approval Letter" shall mean written approval from the IEPA of the RAP. The Parties agree that a single RAP Approval Letter may cover more than one parcel or portions thereof.

"Redevelopment Area" is defined in the Recitals.

"Redevelopment Plan" is defined in the Recitals.

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

"Regulatory Agreement" means each regulatory agreement, if any, describing Owner's obligation to provide affordable housing at the Facility, executed by Owner and the City as of the date hereof.

"Remediation Work" means all investigation, sampling, monitoring, testing, reporting, removal, response, disposal, storage, remediation, treatment and other activities taken to obtain a [No Further Remediation Letter] [Final Comprehensive Residential NFR Letter] in accordance with: the terms and conditions of the RAP Approval Letter issued by the Illinois Environmental Protection Agency ("IEPA"), the SRP Documents (as defined below), all requirements of the IEPA, and all applicable federal, state, and local laws, ordinances, and regulations, including, without limitation, all applicable Environmental Laws.

"Requisition Form" means the document, in the form to be provided by the City, to be delivered by Developer to DPD pursuant to Section 4.04 and/or Section 4.09.

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

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

"SRP Documents" means all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the CSI ROR, RAP and RACR and any and all related correspondence, data and other information prepared by either party pursuant to Section 11.

"Survey" means a plat of survey in the most recently revised form of ALTA/NSPS land title survey of the Property, meeting the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, effective February 23, 2021, dated within 75 days before the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Sustainable Development Policy" shall mean the Sustainable Development Policy of the City as in effect on the Closing Date.

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

"Term of the Agreement" means the period of time starting on the Closing Date and ending on the thirtieth anniversary of the issuance of the Certificate.

"TIF Adoption Ordinance" is defined in the Recitals.

"TIF District Administration Fee" means the fee described in Section 4.05(b).

"TIF Fund" means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

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

"TIF Ordinances" is defined in the Recitals.

"Title Company" means Title Services Midwest, LLC.

"Title Policy" means a title insurance policy issued by the Title Company in the most recently revised ALTA or equivalent form, showing fee simple title in the Owner and naming the City as the insured mortgagee in the full amount of the City Funds, noting the recording of this Agreement, Junior Mortgage, and Regulatory Agreement, if any, as an encumbrance against the Property, and a subordination agreement in a form acceptable to the City in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, but excluding the HUD Mortgage (identified in the Recitals).

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

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 *et seq.* as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

"WBE(s)" means a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17: (i) start construction no later than 180 days after the Closing Date; and (ii) complete construction and conduct business operations in the Facility no later than 24 months after the Closing Date, or such later time as may be permitted by HUD.

3.02 Scope Drawings and Plans and Specifications. If requested by DPD, Developer shall submit to DPD the Scope Drawings and Plans and Specifications, and DPD reserves the right to review and approve these documents. If requested by DPD, Developer shall submit to DPD subsequent proposed changes to the Scope Drawings or Plans and Specifications as a Change Order pursuant to Section 3.04. The Scope Drawings and Plans and Specifications shall always conform to the Redevelopment Plan and all applicable federal, state, and local laws, ordinances and regulations, including the Section 202 Program requirements. 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. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than [$36,169,434]. Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Section 4.02, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct, and complete in all material respects. 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.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Project by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of the Project to a use other than as described in Recital D; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Project of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith before Developer receives DPD's written approval (to the extent City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has agreed to provide under this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this Section 3.04, Developer shall not be required to comply with the change order provisions contained in the City's 2023 Architectural Technical Standards Manual. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as set forth in this Section 3.04, but within 10 business days after executing such a

Change Order, Developer shall notify DPD in writing of such Change Order and the source of funding therefor.

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, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals). Developer shall not start construction of the Project until Developer has obtained all necessary permits and approvals (including but not limited to the City's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's bonding as required under this Agreement.

3.07 Progress Reports and Survey Updates. If requested by DPD, Developer shall provide DPD with written progress reports detailing the status of the Project, including a revised completion date, if necessary (with any delay in completion date of six months or more being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). Written progress reports must be submitted to DPD electronically to the website and/or email specified by the City. Developer shall provide an updated Survey to DPD if requested by 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 Developer's architect) shall be selected to act as the inspecting agent or architect, at Developer's expense, for the Project, and DPD reserves the right to evaluate and approve the inspecting agent or architect. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect to these inspections to DPD, before Developer requests disbursement for costs related to the Project under this Agreement or the Escrow Agreement, if any. If approved by the City, the inspecting agent or architect may be the same one being used in such role by a lender providing Lender Financing, provided that such agent or architect (a) is not also Developer's agent or architect and (b) acknowledges in writing to the City that the City may rely on the findings of such agent or architect.

3.09 Barricades. Before starting any construction requiring barricades, 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. Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. 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 Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related to such connections.

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The estimated total cost of the Project is shown below, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Sections 4.03(b) and 4.06)	$16,188,070
Lender Financing*	$_____
City Funds (subject to Section 4.03)**	$13,244,690
City Adopt-a-Landmark Funds***	$510,000
Other (HUD, ComEd)****	$6,206,474
General Partner Capital Contribution	$10,100
Estimated Total	$36,169,434

*the Lender Financing includes two construction loans that will be made by Associated Bank to the Owner; specifically a construction equity bridge loan in the maximum amount of $11,491,089 to bridge a portion of the Equity that will be received post construction completion, and a construction TIF bridge loan in the maximum amount of $11,920,221 to bridge 1539 Charitable Corporation's receipt of the City Funds. These Associated Bank loans are not listed as part of the Lender Financing designated in this Section 4.01 in order to avoid partially double-counting the Equity and City Funds in the Estimated Total shown above. However, Associated Bank is considered a lender providing Lender Financing for all purposes of this Agreement as a result of these two loans.

**1539 Charitable Corporation, in its sole discretion, will either (i) loan the City Funds to the Owner, or (ii) cause the City Funds to be contributed to the Owner through a general partner capital contribution, or (iii) a combination of the foregoing. 1539 Charitable Corporation shall not be considered a lender and any loan or general partner capital contribution of the City Funds shall not be considered part of the Lender Financing.

***HHDC will receive the City Adopt-A-Landmark Funds pursuant to this Agreement. HHDC, in its sole discretion, will loan the Adopt-A-Landmark Funds to the Owner. However, HHDC shall not be considered a lender and any loans of the City Adopt-A-Landmark Funds shall not be considered Lender Financing for purposes of this Agreement.

****This Other category includes two sources of funds: (1) a $6,000,000 Capital Advance from HUD that will be made to 1539 Charitable Corporation, which is an Affiliate of HHDC; and (2) a

$206,474 grant from Commonwealth Edison Company ("ComEd") to HHDC. With respect to the Capital Advance, 1539 Charitable Corporation will execute a promissory note in favor of HUD, and will cause the Capital Advance proceeds to be delivered to the Owner through a series of general partner capital contributions. To secure repayment obligations arising under this promissory note, the Owner will grant the HUD Mortgage (as identified in the Recitals) in favor of HUD. HUD shall be considered a lender and the Capital Advance shall be part of the Lender Financing for purposes of this Agreement. In addition, HHDC will loan the ComEd grant funds it receives to the Owner. HHDC shall not be considered a lender and any loan of the ComEd funds shall not be considered part of the Lender Financing for purposes of this Agreement.

The payment of City Funds, including the timing of payment, is subject to the terms and conditions of this Agreement, including but not limited to Section 4.03 and Section 5.

4.02 Developer Funds. Equity, Lender Financing and the HHDC loans of the ComEd funds and of the City Adopt-A-Landmark Funds shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.

4.03 City Funds.

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

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Maximum Amount
Incremental Taxes	$13,244,690

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of $13,244,690 or [36.6%] of the actual total Project costs; and provided further, that the City Funds to be derived from Incremental Taxes shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such cost.

Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $13,244,690 is contingent upon the fulfillment of the conditions set forth in parts (i) and (ii) above. If such conditions are not fulfilled, the amount of Equity to be contributed by Developer pursuant to Section 4.01 shall increase proportionately.

(c) Disbursement of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03, the City shall disburse the City Funds in four (4) payments as follows:

(i) $3,973,407 upon the completion of 30% of the construction of the Project as certified to the City in a Requisition Form with required supporting documentation;

(ii) $3,973,407 upon the completion of 60% of the construction of the Project as certified to the City in a Requisition Form with required supporting documentation;

(iii) $3,973,407 upon the completion of 90% of the construction of the Project as certified to the City in a Requisition Form with required supporting documentation; and

(iv) $1,324,469 upon issuance of Certificate.

4.04 Requisition Form. On the Closing Date and before each October 1 (or such other date as the parties may agree) thereafter, beginning after the Certificate is issued and continuing throughout the earlier of (i) the Term of the Agreement or (ii) the date that Developer has been reimbursed in full under this Agreement, Developer shall provide DPD with a Requisition Form for reimbursement of TIF-Funded Improvements, along with the documentation described in the Requisition Form. Developer shall not submit a Requisition Form for City Funds except in accordance with the installment schedule set forth in Section 4.03(c) (or as otherwise permitted by DPD). On each December 1 (or such other date as the parties may agree), beginning after the Certificate is issued and continuing throughout the Term of the Agreement, Developer shall meet with DPD at the request of DPD to discuss any Requisition Form previously delivered.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Effect of Prior Expenditures on Equity or Lender Financing demonstrated before the Closing Date. If Developer incurs and pays Project expenses before the Closing Date and wants these expenses to reduce the amount of Equity or Lender Financing Developer is required to demonstrate before the Closing Date, then Developer shall provide documentation of these expenses satisfactory to DPD. Any such expenses reviewed and approved in writing by DPD, in its sole discretion, shall be referred to as "Prior Expenditures". Prior Expenditures made for TIF-Funded Improvements may be reimbursed to Developer under the terms of this Agreement. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer but shall reduce the amount of Equity and/or Lender Financing Developer is required to contribute under Section 4.01. [Prior Expenditures, if applicable, shall be listed on Exhibit C-1.]

(b) TIF District Administration Fee. Annually, the City may allocate an amount (the "TIF District Administration Fee") not to exceed five percent (5%) of the Incremental Taxes to pay costs the City incurred to administer and monitor the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds before any City Funds are paid under this Agreement.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers

of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of DPD.

4.06 Cost Overruns. If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to Section 4.03 hereof or if the aggregate cost of the Adopt-a-Landmark Eligible Costs exceeds the City AAL Funds available pursuant to Section 4.09 hereof, or if the cost of completing the Project exceeds the Project Budget, Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project. Notwithstanding the foregoing and prior to having to provide funds to pay such excess costs, the Developer may satisfy in whole or part its obligation to pay the Cost Overruns with proceeds of Equity, Lender Financing and the other funding sources identified in Section 4.01 hereof.

4.07 Preconditions of Disbursement. Before each disbursement of City Funds, Developer shall submit a Requisition Form and documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Developer's delivery of any request for disbursement of City Funds shall, in addition to the items expressly set forth in such request, constitute Developer's certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the disbursement request represents the actual cost of the acquisition of the Property or the actual amount payable to (or 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) 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 Agreement are true and correct and Developer is in compliance with all covenants contained in this Agreement;

(e) 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;

(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. Developer hereby agrees that, if the Project is not In Balance, Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

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

4.09 City AAL Funds.

Subject to the conditions described in this Section 4.09, the City shall pay City AAL Funds to HHDC as follows:

(a) HHDC shall submit to DPD documentation regarding the applicable expenditures for which HHDC seeks reimbursement on behalf of the Owner, including a Requisition Form which shall be satisfactory to DPD in its sole discretion (the Requisition Form shall be submitted not more frequently than in accordance with the installment schedule set forth in Section 4.09(c);

(b) Delivery by HHDC to DPD of a Requisition Form for City AAL Funds shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such Requisition Form, that the conditions described in Section 4.07 have been satisfied; and

(c) The Requisition Form for City AAL Funds shall not exceed $510,000 or such lesser amount of Adopt-a-Landmark Eligible Costs incurred and paid as of the date of the related Requisition Form. HHDC shall be entitled to receive reimbursement payments of (i) up to $169,983 each upon the completion of 22.8 percent, and [51.3] percent of the Landmark Project, as measured by total project cost; and (ii) up to $170,034 upon issuance of completion of construction.

4.10 Non-Recourse. Notwithstanding any provision in this Agreement to the contrary, upon the occurrence of an Event of Default that remains in effect after the expiration of all applicable notice and cure periods, the Owner's obligation to repay or reimburse the City for the City Funds is a non-recourse obligation of the Owner, and shall be paid exclusively from available insurance proceeds or Residual Receipts (as defined in the HUD Regulatory Agreement referenced in the Recitals). With the exception of the Junior Mortgage, the City shall not have or assert any claim, lien or interest in or against the assets or income of the Project without the prior written approval of HUD, which approval HUD may withhold in its sole discretion. The Junior Mortgage is subordinate to the HUD Mortgage (referenced in the Recitals), and the City may not seek to foreclose its Junior Mortgage lien without the prior written approval of HUD, which approval HUD may withhold in its sole discretion.

SECTION 5. CONDITIONS PRECEDENT

Developer has complied with the following conditions to the City's satisfaction on or before the Closing Date:

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

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

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

5.04 Financing. Developer has furnished proof reasonably acceptable to the City that Developer has Equity, Lender Financing and other sources in the amounts set forth in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If such funds include Lender Financing, Developer has furnished proof as of the Closing Date that the proceeds of the Lender Financing (a) are available for Developer to draw upon as needed and (b) are sufficient, along with the Equity and/or other sources set forth in Section 4.01, to complete the Project. If the City is not a party to the Escrow Agreement, then Developer has delivered to DPD a copy of the Escrow Agreement. Any liens against the Property existing at the Closing Date, other than the lien of the HUD Mortgage, have been subordinated to certain encumbrances of the City set forth in this Agreement pursuant to a subordination agreement, in a form acceptable to the City, executed on or before the Closing Date, which is to be recorded, at Developer's expense, with the Cook County Clerk's Office.

5.05 Acquisition and Title. On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Property. The Title Policy is dated as of the Closing Date and contains only those title exceptions that are Permitted Liens and evidences the recording of this Agreement, the Junior Mortgage and the Regulatory Agreement, if any, pursuant to the provisions of Section 8.18. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's ALTA 9 series endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access, survey, encroachment and damages for mineral production. Owner has provided to DPD, on or before 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 to the Title Policy.

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name and Developer's trade names showing no liens against Developer, the Property or any fixtures now or hereafter affixed to the Property, except for the Permitted Liens:

Jurisdiction	**Searches**
Secretary of State	UCC, Federal tax

Cook County Clerk's Office	UCC, Fixtures, Federal tax, State tax, Memoranda of judgments
U.S. District Court, Northern District - Illinois	Pending suits and judgments, bankruptcy
Clerk of Circuit Court, Cook County	Pending suits and judgments

5.07 Surveys. Developer has furnished the City with a copy of the Survey.

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

5.09 Opinion of Developer's Counsel. On the Closing Date, Developer has furnished the City with an opinion of counsel in form and substance acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions required by the Corporation Counsel, such opinions must be obtained by Developer from its general corporate counsel or such other counsel acceptable to the Corporation Counsel.

5.10 Evidence of Prior Expenditures. Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures, if any, in accordance with the provisions of Section 4.05(a).

5.11 Financial Statements. Each Developer has provided or will provide Financial Statements to DPD for its most recent fiscal year in which it has reportable financial activity and audited or unaudited interim financial statements.

5.12 [Intentionally Omitted].

5.13 Environmental. Developer has provided DPD with copies of that certain Phase I Environmental Site Assessment completed with respect to the Property and any Phase II Environmental Site Assessment with respect to the Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its articles or certificate of incorporation or organization or certificate of limited partnership containing the original certification of the Secretary of State; certificates of good standing from the Secretary of State of its state of incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; bylaws, operating agreement or amended and restated limited partnership agreement; and such other organizational documentation as the City has requested.

Developer has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state, or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City

of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

5.15 Junior Mortgage. The Developer must have delivered to the City the Junior Mortgage, Regulatory Agreement, if any, and such financing statements as the City may require.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) DPD acknowledges that Developer has selected Leopardo Construction, Inc. as its general contractor (the "General Contractor") for the Project. Developer will cause the General Contractor to solicit bids for work on the Project solely from qualified subcontractors eligible to do business with the City of Chicago, and if requested by DPD shall submit all bids received to DPD for its inspection and written approval.

(b) Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Copies 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 after they are signed. 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, if requested by DPD in accordance with Section 3.02, and all requisite permits have been obtained.

Notwithstanding the foregoing, the City acknowledges that (1) HUD has approved the General Contractor in accordance with the Section 202 Program requirements, and (2) HUD's approval of the General Contractor shall be binding on the City for purposes of this section.

6.02 Construction Contract. Before executing the Construction Contract, Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which DPD shall grant or deny within ten (10) business days after delivery of the proposed Construction Contract. The Developer shall ensure that its General Contractor adheres to the policies and procedures outlined in the ATS Manual. Within ten (10) business days after the Construction Contract is executed by all parties thereto, Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments, or supplements thereto.

6.03 Performance and Payment Bonds. Before starting construction of any portion of the Project, 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, HUD forms 92452M (6/18) and 92452A-M (6/18) or their equivalents. Before starting

construction of any portion of the Project which includes work on the public way, Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form acceptable to the City. Subject to HUD's approval of the surety and its consent, the City shall be named as obligee or co-obligee on any such bonds.

6.04 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and the City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractor to require each subcontractor to satisfy or the failure of any subcontractor to satisfy, such obligation shall not result in a default or a termination of this Agreement or require payment of the City resident hiring shortfall amounts so long as such Section 10 obligations are satisfied on an aggregate basis.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records). Copies 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 OR REHABILITATION

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

Developer acknowledges and understands that the City will not issue the Certificate and will not pay out the fourth installment of the City Funds in connection with the Project per Section 4.01(c)(iv), until the following conditions have been met:

(a) Evidence acceptable to DPD that the Total Project Cost will equal or exceed $36,169,434; as described in Section 4.03(b), the City Funds will be reduced on a dollar-for-dollar basis if the Total Project Cost is less than this amount; and

(b) Evidence that Developer has incurred TIF-eligible expenses in an amount equal to, or greater than, the total amount of City Funds for the Project (up to $13,244,690); and

(c) Receipt of a certificate of occupancy for the Project or other evidence acceptable to DPD that Developer has complied with building permit requirements for the Project; and

(d) The Facility is open for operation and in the process of being marketed for lease to tenants in accordance with the affordability provisions described in Section 8.26; and
(e) Evidence that Developer has incurred Adopt-a-Landmark Eligible Costs in an amount equal to, or greater than, $510,100; and
(f) Evidence acceptable to DPD in the form of a closeout letter from DPD's Compliance and Monitoring division stating that Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage); and
(g) Evidence acceptable to DPD that the Project has complied with the Sustainable Development Policy as outlined in Section 8.22; and
(h) There exists neither an Event of Default which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

Notwithstanding the foregoing, a determination by HUD that construction has been completed as evidenced by its issuance to the Owner of HUD's Permission to Occupy the Project shall be binding on the City as to its determination that construction completion has occurred.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction and/or rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the Certificate is issued, however, all executory terms and conditions of this Agreement and all representations and covenants contained in this Agreement 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 Section 8.02 (Covenant to Redevelop), Section 8.19 (Real Estate Provisions), Section 8.20 (Annual Compliance Report), Section 8.26 (Affordable Housing Covenant), and Section 14.02 (Inspection Rights) as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that when the Certificate is issued, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property from and after the date of this Agreement shall be made explicitly subject to the covenants listed above that run with the land.

The other executory terms of this Agreement that remain after the Certificate is issued shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.14 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities under this Agreement.

7.03 Failure to Complete. If Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. If the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.03, Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from Developer, subject to Section 4.10.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER.

8.01 General. The representations and warranties provided by Developer under this Agreement are material conditions precedent to the City's obligations under this Agreement. Developer represents, warrants, and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder and throughout the Term of the Agreement, that:

(a) Owner is an Illinois limited partnership, and 1539 Charitable Corporation is an Illinois not-for-profit corporation, and each is duly incorporated, formed or organized, validly existing, qualified to do business in its respective state of incorporation, formation or organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

(c) the execution, delivery and performance by each Developer of this Agreement has been duly authorized by all necessary limited partnership or corporate actions, and does not and will not violate the Owner's certificate of limited partnership or amended and restated partnership agreement or 1539 Charitable Corporation's articles of incorporation or bylaws, each 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 such Developer is now a party or by which such Developer is now or may become bound;

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

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

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

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

(h) each Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which such Developer is a party or by which such 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 such Developer's assets, liabilities, results of operations and financial condition, and there has been no material adverse change in each Developer's assets, liabilities, results of operations or financial condition since the date of such Developer's most recent Financial Statements;

(j) prior to the issuance of the Certificate of Completion, Developer shall not do any of the following without the prior written consent of DPD, which shall not be unreasonably withheld, conditioned or delayed: (1) be a party to any merger, liquidation or consolidation (provided that the foregoing shall not limit any sale or transfer of any interests in the Limited Partner); (2) except for Permitted Liens and collateral assignments to obtain Equity, 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 to the Property) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of each Developer's respective business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity (other than in connection with the Equity for the Project) or in the ordinary course of developing, owning, managing and operating affordable housing (including those developed through the federal low income housing tax credit) or community economic development projects (including those developed through the new markets tax credits or comparable incentive program); or (5) enter into any transaction that would cause a material and detrimental change to such Developer's financial condition;

(k) Developer has not incurred, and, before the Certificate is issued, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached to the Property, except Lender Financing and other funding disclosed in the Project Budget; and

(l) Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an

inducement for the City to enter into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code;

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

(n) Developer understands that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the account of the TIF Fund designated for the Project; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) Developer will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(o) Developer has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(p) Intentionally omitted;

(q) Developer understands it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.14 (Assignment), and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

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, and Developer's receipt of all required building permits and governmental approvals, Developer shall redevelop the Property in accordance with this Agreement and all its Exhibits, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments to such documents, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee but shall be deemed satisfied when the City issues the Certificate.

8.03 Redevelopment Plan. Developer represents that the Project is and shall be in compliance with all of the applicable material terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

8.04 Use of City Funds. City Funds disbursed to 1539 Charitable Corporation and loaned or contributed to the Owner shall be used by Developer solely to pay for (or to reimburse Developer for its payment for) the TIF-Funded Improvements as provided in this Agreement. City AAL Funds disbursed to HHDC and loaned to the Owner shall be used by the Developer solely to pay for (or to reimburse the Owner for its payment for) Adopt-a-Landmark Eligible Costs as provided in this Agreement.

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

8.06 Jobs Creation. The Developer anticipates that the Project will result, through the General Contractor, in the creation of 50 temporary FTE construction jobs within [15] months of the commencement of construction. 1539 Charitable Corporation or its Affiliate HHDC anticipates that the Project will result in the creation of three (3) FTE permanent jobs within [one (1)] year of completion of the Project, for a total of 3 FTE permanent jobs aspired to be retained or created by Developer at the Facilities through the Term of the Agreement. Throughout the Term of the Agreement, the Developer agrees to report the number of jobs, whether FTE or otherwise, to date created by the Project to DPD and DOH as part of the Developer's submission of the Annual Compliance Report. Notwithstanding any other provision in this Agreement to the contrary, the failure to create the specified number of jobs shall not constitute an Event of Default.

8.07 Employment Opportunity; Progress Reports. 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. Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03. Such reports shall be delivered to the City when the Project is 30%, 60%, 90% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Developer shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, how Developer shall correct, or cause its General Contractor to correct, any shortfall.

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

8.09 Prevailing Wage. 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, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09. Notwithstanding the foregoing, if the Project is subject to the requirements of the Davis-Bacon Act, then (x) pursuant to 820 ILCS 130/11, Section 11 of the Illinois Prevailing Wage Act (820 ILCS 130/0/01 et seq.), the prevailing wage requirements ascertained by the Department shall not apply to the Project, and (y) Developer shall comply with the Davis-Bacon Act with respect to the Project.

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

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, 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 Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's most recent fiscal year in which it has reportable financial activities and each fiscal year thereafter for the Term of the Agreement. In addition, 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.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, Lender Financing and other funding shown in the Project Budget, and subject to subsection (b) below, 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, 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. 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. Developer has the right, before any delinquency occurs:

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

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

8.16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations under this Agreement or to repay any material liabilities or perform any material obligations of Developer arising under this Agreement. Developer shall immediately notify DPD of any and all events or actions which may materially affect Developer's ability to perform its obligations under this Agreement.

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

8.18 Recording and Filing. Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements to this Agreement, the Junior Mortgage, and Regulatory Agreement, if any, to be recorded and filed, at Developer's expense, against the Property on the date hereof in the Cook County Clerk's Office.

8.19 Real Estate Provisions. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

(a) Governmental Charges.

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

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. Developer's right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes, if any, 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 Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option,

(i) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by 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 before the final determination of such proceedings; and/or

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

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, then Developer shall advise DPD in writing. At that time DPD in its sole discretion may, but shall not be obligated to, make all or any part of such payment or obtain such discharge and take any other related action which DPD deems advisable. By taking any action under this paragraph, DPD shall not waive or release any obligation or liability of Developer under this Agreement. Developer shall promptly reimburse DPD for all sums, if any, DPD pays under this paragraph and expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto. Notwithstanding anything contained in this paragraph to the contrary, this paragraph shall not be construed to obligate the City to pay any Governmental Charge. If Developer fails to pay any Governmental

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

(c) Real Estate Taxes. The City acknowledges that the Owner will file a charitable property tax exemption application for the Property in accordance with the Section 202 Program requirements, 35 ILCS Section 200/15-65 and 86 Ill. Admin. Code Part 110.116. Owner's failure to secure a charitable property tax exemption shall not be an Event of Default.

(d) Notification to the Cook County Assessor of Change in Use or Ownership. If required under 35 ILCS 200/15-20 due to a change in use or ownership of the Property, within 90 days after the Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor of such change in use or ownership. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

8.20 Annual Compliance Report. Starting when the Certificate is issued and continuing throughout the Term of the Agreement, Developer shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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

8.22 Sustainable Development Policy. Developer shall provide evidence acceptable to the City that they have complied with the Sustainable Development Policy for the Project within one (1) year after the date of the Certificate. If a default occurs under this Section 8.22, the City shall have the right to reduce the City Funds by up to $250,000 as described in Section 15.02.

8.23 FOIA and Local Records Act Compliance.

(a) FOIA. Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If Developer receives a request from the City to produce records within the scope of FOIA, then Developer covenants to comply with such request within two (2) business days of the date of such request. Failure by Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that Developer submits to the City as part of the Annual Compliance Report or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in

competitive harm. However, for documents submitted by Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties to this Agreement and, except as provided in Section 7 when the Certificate is issued, shall be in effect throughout the Term of the Agreement.

8.25 [Intentionally omitted]

8.26 Affordable Housing Covenant. As used in this Section 8.26 and other affordable housing covenant provisions in this Agreement, the following terms have the following meanings: (i) **"Family"** shall mean one or more individuals, whether or not related by blood or marriage; (ii) **"Very Low-Income Families"** shall mean Families whose annual income does not exceed fifty percent (50%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter, such income limits shall apply to this definition; and (iii) **"60% Families"** shall mean Families whose annual income does not exceed sixty percent (60%) of the Chicago-area median income, adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter, such income limits shall apply to this definition

(a) Developer agrees and covenants to the City that:

(i) if a Regulatory Agreement was executed and remains in effect, then Developer shall be obligated to provide affordable housing as described in the Regulatory Agreement;

(ii) if a Regulatory Agreement was executed and was later terminated or released, including without limitation due to foreclosure by a lender providing Lender Financing, then Developer shall be obligated to provide affordable housing as described in Section 8.26(b) from the date the last outstanding Regulatory Agreement is terminated or released through the remaining Term of the Agreement; and

(iii) if no Regulatory Agreement was executed, then Developer shall be obligated to provide affordable housing as described in Section 8.26(b) for the entire Term of the Agreement.

(b) The Facility shall be operated and maintained solely as residential rental housing containing sixty-one (61) units of residential housing, of which sixty (60) units shall be available for rental.

All of the units in the Facility shall be available for occupancy to and be occupied solely by one or more Families qualifying as 60% Families upon initial occupancy, provided that one unit shall be designated and maintained as a non-rental resident manager's unit and provided further that, of the sixty-one (61) units in the Facility, fifty-eight (58) one-bedroom units shall be available for occupancy to and shall be occupied by Very-Low Income Families in accordance with the Section 202 Program requirements, and two (2) two-bedroom units shall be available for occupancy to and shall be occupied by 60% Families in accordance with Section 42 of the Internal Revenue Code of 1986, as amended.

Each rental unit in the Facility shall have monthly rent not in excess of either (i) thirty percent (30%) of the maximum allowable income for a Low Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended) for the two (2) bedroom units, and (ii) thirty percent (30%) of the maximum allowable income for a Very Low Income Family (in accordance with the Section 202 Program requirements); provided, however, that for any unit occupied by a Family that no longer qualifies as a Low Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit and subject to any applicable Section 202 Program requirements, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

(c) The covenants set forth in this Section shall run with the land and be binding upon any transferee.

(d) The City and Developer may enter into a separate agreement to implement the provisions of this Section.

8.27 Prohibited Uses. The Developer throughout the Term shall only use the Property as elderly supportive housing as contemplated by this Agreement. The following Project uses shall be prohibited:

(a) Adult oriented businesses
(b) Strip clubs
(c) Astrology, card-reading, palm-reading or fortune telling businesses
(d) Currency exchanges
(e) Houses of worship
(f) Inter-track wagering facilities
(g) Laundromats
(h) Pawn shops
(i) Pay day loan stores/predatory lenders
(j) Tattoo parlors

(k) Bingo parlors
(l) Game rooms or arcades
(m) Night clubs or discotheques
(n) Flea markets
(o) Junkyard or recycling center
(p) Automobile, truck, motorcycle, trailer or recreational vehicle sale, display, or repair
(q) Mortuaries or funeral homes
(r) Second hand stores or thrift shops
(s) Liquidators
(t) Beauty shops, beauty supply stores, barber shops, nail salons
(u) Taverns
(v) Package liquor stores
(w) Gasoline service station
(x) Discounters occupying less than 25,000 square feet
(y) General merchandise discounters whose goods generally have price points that range from under one dollar to ten dollars including by way of example but not by limitation Family Dollar, Dollar Tree and Dollar General.

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 under this Agreement.

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 to this Agreement and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. 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 Developer operating on the Property (collectively, with 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 and to the extent permitted by law, 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. Notwithstanding the foregoing, the Developer's efforts to comply with Section 3 Employment Opportunities for Low- and Very-Low Income Persons, 12 U.S.C. 1701u and its implementing regulations at 24 CFR Part 75 in accordance with the Section 202 Program requirements shall be deemed to satisfy this provision.

(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.

10.02 City Resident Construction Worker Employment Requirement. Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (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, 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.

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 in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner 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.

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

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

Good faith efforts on the part of Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and

correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Developer pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether 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.

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

10.03. MBE/WBE Commitment. 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 the Project:

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit B) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 26 percent by MBEs.
(2) At least six percent by WBEs.

(b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Developer's MBE/WBE commitment may be achieved in part by Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by 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 Developer utilizing a MBE or a WBE as the 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 or services 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 Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) Developer shall deliver quarterly reports to the City's monitoring staff 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 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 the City's monitoring staff in determining Developer's compliance with this MBE/WBE commitment. Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Developer, on five Business Days' notice, to allow the City to review 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, 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 Sections 2-92-540 and 2-92-730, Municipal Code, as applicable.

(f) Any reduction or waiver of Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.

(g) Before starting the Project, Developer shall be required to meet with the City's monitoring staff with regard to Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in

this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

Notwithstanding the provisions set forth in this Section, in the event HUD exercises its rights to undertake completion of the Project as assignee of the Developer, or as attorney-in-fact of the Developer, the requirements set forth in this Section shall not apply to HUD. In all other circumstances, the Developer, its various contractors, subcontractors and any Affiliate of the Developer operating the Property shall be obligated to comply with all of the requirements of this Section. In case of a conflict or ambiguity between this Agreement and the HUD Core Construction Contract, as defined below regarding the applicability of this Section, the Core Construction Contract shall control. The "Core Construction Contract" means (a) the Construction Contract, Lump Sum (HUD 92442-CA), (b) Construction Contract Incentive Payment (HUD-92443-CA), (c) Supplementary Conditions of the Contract For Construction (HUD 2554)(2/2002), (d) Index of Construction Plans and Specifications, (e) the Davis Bacon Wage Determination; and (f) Amendment to the Construction Contract to Identify Identities of Interest Between Borrower/Contractor/ Subcontractor/Architect.

SECTION 11. ENVIRONMENTAL MATTERS

Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that, upon the IEPA's issuance of the Final Comprehensive Residential NFR Letter, the Project's construction, completion and operation will occur in accordance with all Environmental Laws and this Agreement and all its Exhibits, the Scope Drawings, Plans and Specifications and all amendments thereto and the Redevelopment Plan.

Without limiting any other provisions hereof, 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 Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which Developer, or any person directly or indirectly controlling, controlled by or under common control with Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property; notwithstanding the foregoing, the Developer shall not be required to indemnify a party against its own negligence. Further, the Developer's indemnity obligation is modified as provided in the HUD Rider.

The Developer provided the City with a Phase I ESA compliant with ASTM E-1527-21 for the Property prior to and conducted, or updated, within 180 days prior to the conveyance of the Property and a Phase II ESA.

The Phase I ESA identified Recognized Environmental Conditions ("RECs") and the Developer performed a Phase II ESA to ascertain the presence of any environmental impacts that may be associated with the RECs.

The Phase II ESA identified contamination above residential remediation objectives as determined by Title 35 of the Illinois Administrative Code ("IAC") Part 742, and HHDC previously enrolled the Property (or any portion thereof) in the IEPA SRP on July 2022 (filing no. 0316235213 – Cook County) in order to obtain a Final Comprehensive Residential NFR Letter for the enrolled Property. The Developer acknowledges and agrees that it may not commence construction on the Property or commence any other activity on the Property that could interfere with the prompt start and completion of the RAP until the IEPA issues a RAP Approval Letter for the Property. Notwithstanding the foregoing, the IEPA issued its RAP Approval Letter dated October 19, 2022.

Upon commencement of construction, the Developer covenants and agrees to promptly complete all Remediation Work necessary to obtain a Final Comprehensive Residential NFR Letter for the Property using all reasonable means. The City shall have the right to review in advance and approve all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the SRP Documents and any changes thereto, and the Developer's estimate of the cost to perform the Remediation Work; the City's review and approval of the foregoing shall not be unreasonably withheld, conditioned or delayed. The Developer shall bear sole responsibility for all costs of the Remediation Work necessary to obtain the Final Comprehensive Residential NFR Letter, and the costs of any other investigative and cleanup costs associated with the Property, provided that Developer may use the funding sources listed in Section 4.01 of this Agreement to pay such costs. The Developer shall promptly transmit to the City copies of all Environmental Documents prepared or received with respect to the Remediation Work, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges and agrees to not request a certificate of occupancy for the Project from the Department of Buildings (DOB) until the IEPA has issued[, and the Developer has recorded with the Cook County Clerk's Office and the City has approved], a Final Comprehensive Residential NFR Letter for the Property (to the extent required)[, which City approval shall not be unreasonably withheld, conditioned or delayed]. If the Developer fails to obtain the Final NFR Letter within six (6) months of the submission of the RACR to the IEPA, unless the City agreed to extend such time period, then the City shall have the right to issue a notice of default of this RDA against the Property.

No City funding may be used to import bio-solids or bio-solids-based products to the Property from a wastewater treatment facility or other source.

Developer acknowledges that, except in the case of information specifically designated by the Developer to be treated confidentially as a trade secret or secret process, the City may make environmental assessments, hazardous material building surveys, SRP Documents, or similar environmental documents relating to the Property publicly available, and Developer consents to the City's publication of those non-confidential or non-exempt documents.

The Developer shall remove any soil or soil gas not meeting the requirements of 35 IAC Section 742.305. Any underground storage tanks ("USTs") identified must be removed and closed

in accordance with applicable regulations including Title 41 of IAC Part 175 and any identified leaking USTs must be properly addressed in accordance with 35 IAC Part 734.

The Developer must abide by the terms and conditions of the Final Comprehensive Residential NFR letter and must inform any subsequent owner and tenants of the Property to abide by the terms of the Final Comprehensive Residential NFR Letter.

Developer will conduct a Hazardous Building Material Survey of the Site prior to conducting any work that could constitute renovation, demolition, or abatement under the Environmental Laws ("abatement work") on or within an existing physical structure located on the Property. The Hazardous Building Material Survey shall include (but is not limited to):

- asbestos and lead-based paint surveys,
- testing and visually inspecting and, as necessary, testing the Property to determine the presence and location of polychlorinated-biphenyl (PCB)-containing equipment and materials (such as lighting ballasts, switchgears, transformers, and hydraulic fluids),
- mercury-containing equipment and materials (mercury lamps, thermostats, switches, thermometers, regulators, and gauges),
- radioactive material-containing equipment and/or waste,
- medical wastes (such as biological or infectious wastes, hazardous chemicals, and/or wastes),
- refrigerants such as chlorofluorocarbons (CFCs),
- large appliances or equipment,
- mold,
- or any other materials that may require special handling or disposal during or after renovation, demolition, or abatement work.

The Hazardous Building Material Survey must discuss each of the Hazardous Building Materials listed above and state whether or not they were identified. The Survey must document the type, location, quantity, and condition of each Hazardous Building Material that is identified.

Any Hazardous Building Materials that will be impacted by renovation or demolition activities, or are in poor or unstable condition, must be properly abated. A report documenting the Hazardous Building Material Survey results and an abatement plan shall be submitted to the City for review prior to beginning any renovation, demolition, or abatement work; the City's review shall not be unreasonably withheld, conditioned or delayed. Please note that abatement does not necessarily require removal and disposal of materials. Alternative methods to stabilize or prevent access to materials may be utilized if appropriate.

The Developer will incorporate the results of the Hazardous Building Material Survey into its Project documents and perform abatement work as part of the Project in accordance with all Environmental Laws. A report documenting the completion of the abatement work shall be submitted to the City prior to approval of the Property for occupancy, which approval shall not be unreasonably withheld, conditioned or delayed. If abatement work activities are not deemed sufficient by the City, the Developer shall continue such abatement work until approved and may

use available funds listed in Section 4.01 of this Agreement to pay for such additional work. Upon exhaustion of such funds, it shall pay such additional expenses from its own funds.

Developer acknowledges that, except in the case of information specifically designated by the Developer to be treated confidentially as a trade secret or secret process, the City may make environmental assessments, hazardous material building surveys, SRP submittals, or similar environmental documents relating to the property publicly available, and Developer consents to the City's publication of those documents.

SECTION 12. INSURANCE

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

(a) Before execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

(ii) Commercial General Liability

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed by Sub-developers, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or Developer may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of Developer. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of Developer's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and

defense of suits arising out of Developer's acts or omissions, whether such liability is attributable to the Contactor or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. Developer's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(iii) All Risk Property

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

(iv) Automobile Liability

A Business Auto Policy covering any motor vehicles (owned, non-owned and hired) which are used in connection with work, services, or operations to be performed, must be maintained by the Developer. Limits of not less than $1,000,000 per accident for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, non-contributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

(v) Blanket Crime (when applicable)

When applicable, Developer must maintain Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by employee dishonesty, forgery or alteration, funds transfer fraud, robbery, theft, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit shall be written to cover losses in the amount of the maximum monies collected or received and in the possession of Developer at any given time under this Agreement.

(b) Construction. Before the construction of any portion of the Project, Developer shall procure and maintain, or cause its architects, contractors, subcontractors, project managers, and other parties constructing the Project to procure and maintain, the following types and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

(ii) Commercial General Liability

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or the insured party may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of the insured party. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of the insured party's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and defense of suits arising out of any of the insured party's acts or omissions, whether such liability is attributable to the insured party or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. The insured party's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(iii) Automobile Liability

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services, or operations to be performed, Automobile Liability Insurance must be maintained with limits of not less than $2,000,000 per accident for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, non-contributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

(iv) Railroad Protective Liability

When, in connection with this Agreement, any work is to be done within 50 feet adjacent to or on property owned by a railroad or public transit entity, Developer shall procure and maintain, or cause to be procured and maintained, with respect to the operations that Developer or any insured party shall perform, railroad protective liability insurance in the name of such railroad or public transit entity. The policy shall have limits of not less than

$2,000,000 per occurrence, combined single limit, and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk (when applicable)

When any construction, including improvements, betterments, and/or repairs to real property, is undertaken, Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery, and fixtures that are or will be part of the project. Coverage(s) must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City is to be named as an additional insured and loss payee.

(vi) Professional Liability (when applicable)

When any professional consultants perform work, services, or operations in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than $2,000,000 per claim. Coverage must include, but not be limited to, technology errors and omissions and pollution liability if environmental site assessments are conducted, when applicable. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of work under this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

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

(viii) Pollution Liability (when applicable)

When any remediation work or services performed involves a potential pollution risk that may arise from the operations in connection with the work that may fall under the scope and direction of the Developer, the Developer must cause remediation contractor to provide Pollution Liability coverage with limits no less than $2,000,000 per occurrence or claim and $2,000,000 aggregate per policy period of one year. Coverage must be provided or caused to be provided, covering bodily injury, property damage and other losses caused by pollution conditions. Coverage must include but not be limited to completed operations, contractual liability, defense, excavation, environmental cleanup, remediation, and disposal and if applicable, include transportation and non-owned disposal coverage. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

The City must be provided with an additional insured status with respect to liability arising out of work, services or operations performed on behalf of the City. The City's additional insured status must apply to liability and defense of suits arising out of the insured party's acts or omissions, whether such liability is attributable to the insured party or to the City on an additional insured endorsement form acceptable to the City. The City is to be named as an additional insured on a primary, non-contributory basis. The Developer and any other insured party shall comply with any additional insurance requirements that are stipulated by the Interstate Commerce Commission's regulations, Title 49 of the Code of Federal Regulations, Department of Transportation; Title 40 of the Code of Federal Regulations, Protection of the Environment and any other federal, state or local regulations concerning the removal and transportation of Hazardous Materials.

The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. The insured party's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(xi) Umbrella or Excess

Umbrella or Excess Liability Insurance must be maintained with limits of not less than $10,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employers Liability and Completed Operations coverage required herein and expressly provide that the Excess or Umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without the right of contribution by any other insurance or self-insurance maintained by or available to the City.

A combination of primary and Excess/Umbrella policies may be used to satisfy the limits of liability required under Workers' Compensation, Employer's Liability, Commercial General Liability, and Automobile Liability.

(x) Installation Floater (when applicable)

When any construction is undertaken, but there is no real property construction taking place, Developer must cause to provide All Risk Installation Floater Insurance to cover installation work, including improvements, betterments, and/or repairs. The Installation Floater must provide for replacement cost of materials, supplies, equipment, machinery and fixtures that are or will be part of the final project. Coverages must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City is to be named as an additional insured and loss payee.

(xi) Marine Protection & Indemnity (when applicable)

When Developer undertakes any marine operation in connection with this Agreement, Developer must provide, or cause to provide, Marine Protection & Indemnity coverage with limits of not less than $1,000,000 per occurrence. Coverage must include, but not be limited to: property damage and bodily injury to third parties; injuries to crew members if not provided through other insurance; damage to wharves; piers and other structures; and collision. The City is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property

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

(d) Other Requirements:

Evidence of Insurance. Developer must furnish the City certificates of insurance and additional insured endorsement, or other evidence of insurance (the "Certificate of Insurance" or "COI"), to be in force on the date of this Agreement, and renewal COIs and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance prior to execution of this Agreement. The receipt of any COI does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the COI are in compliance with all requirements of this Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Developer, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Developer must advise all insurers of this Agreement's provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect the Developer for liabilities which may arise from or relate to this Agreement. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time.

Failure to Maintain Insurance. Failure of the Developer to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility nor does it relieve Developer of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or this Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Developer must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium. A copy of the physical endorsements must accompany the Certificate of Insurance for General Liability, Automobile Liability and Workers' Compensation in order to comply with the insurance requirements.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer.

Waiver of Subrogation. Developer hereby waives its rights and its insurer(s)' rights of, and agrees to require their insurers to waive their rights of, subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. The Developer agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the City receives a waiver of subrogation endorsement for Developer's insurer(s).

Developers Insurance Primary. All insurance required of Developer under this Agreement shall be endorsed to state that Developer's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation as to Developer's Liabilities. The coverages and limits furnished by the Developer in no way limit the Developer's liabilities and responsibilities specified within this Agreement or by law.

No Contribution by the City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Developer under this Agreement.

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

Insurance and Limits Maintained. If Developer maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the higher limits and/or broader coverage maintained by Developer. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Developer. If Developer desires additional coverages, the Developer will be responsible for the acquisition and cost.

Insurance required of Contractor and Subcontractors. Developer must require Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and subcontractors. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement. The Developer is responsible for ensuring that each Contractor and Subcontractor has named the City as an additional insured where required, as well as specifically naming the City as an additional insured on any endorsement form at least as broad and acceptable to the City. The Developer is also responsible for ensuring that each Contractor and Subcontractor has complied with the required coverage and terms and conditions outlined in this subsection (d), Other Requirements. When requested by the

City, the Developer must provide to the City Certificate of Insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Contractors and subcontractors to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in this Agreement to the contrary, the City, Department of Finance, Risk Management Division maintains the right to modify, delete, alter or change these requirements.

[Notwithstanding the foregoing, if the Developer purchases and maintains insurance in accordance with the HUD Section 202 Program requirements, as evidenced by HUD's Property Insurance Requirements Form 90164-CA, the Developer shall be deemed to have complied with the City's insurance requirements set forth in this Section 12; provided, however, that Developer shall cause certificates of insurance to be issued in favor of the City evidencing that the City may be an additional insured on the Owner's general liability policy and as a junior mortgagee on the Owner's property insurance policy.]

SECTION 13. INDEMNIFICATION

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

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

(ii) 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 official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate of Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

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

Notwithstanding the foregoing, the only sources of payments made by the Developer upon written approval of HUD under this Section 13.01 shall be from available insurance proceeds and/or "Residual Receipts" as defined in the HUD Regulatory Agreement (identified in the Recitals) in accordance with the HUD Section 202 Program requirements and as further provided in the HUD Rider. No indemnitee shall have or assert any claim, lien or interest in or against the assets or income of this HUD Project no. 071-EE256, excluding the Junior Mortgage lien.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. 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 Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, Developer shall permit any authorized representative of the City to access to all portions of the Project and the Property during normal business hours for the Term of the Agreement. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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 Developer under this Agreement:

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

(b) Developer fails to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under any other agreement with any person or entity if such failure may have a material adverse effect on Developer's business, property, assets, operations or condition, financial or otherwise and its ability to perform its respective obligations

under this Agreement, after the expiration of all applicable notice and cure periods arising hereunder or thereunder;

(c) Developer makes or furnishes to the City 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 under this Agreement, 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 Developer or for the liquidation or reorganization of Developer, or alleging that Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of 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 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 Developer, for any substantial part of Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of 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) any judgment or order is entered against Developer and remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;

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

(i) the dissolution of Developer;

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

(k) before the expiration of the Term of the Agreement, a majority of the ownership interests of Developer are sold or transferred without the prior written consent of the City (excluding a transfer of the Limited Partner interests within Owner, and the removal of Owner's general partner by the Limited Partner for cause set forth in Owner's partnership agreemen and its replacement with an affiliate of the Limited Partner, for which the City's consent is not required);

(l) Developer or any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer fails to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer; or

(m) failure to provide the City with an Annual Compliance Report within sixty (60) days of when it is due, as set forth in Section 8.20.

For purposes of Sections 15.01(i) and 15.01(j), a person with a material interest in Developer shall be one having a direct or indirect beneficial interest (including ownership) exceeding 10% of Developer.

Notwithstanding the foregoing, if the Developer defaults in any specific manner described in this Section 15.01, the City shall give written notice to the Developer and an additional written notice to Lender and HUD within thirty (30) days of the occurrence of such Event of Default. The Developer and HUD shall have the right within ninety (90) days from the receipt of such notice to correct the default or Event of Default; provided however that no cure period shall apply to (i) the filing of voluntary bankruptcy or insolvency proceedings by Developer, (ii) any fraudulent or knowingly false material representation by Developer, (iii) the unauthorized transfer of a majority interest in Developer, or (iv) any Event of Default that, by its nature, cannot reasonably be cured. For purposes of this Section, the parties agree that Lender and HUD shall each be deemed a third party beneficiary.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and Developer are or shall be parties relating to this Property and Project, may suspend disbursement of City Funds and/or seek reimbursement of any City Funds paid, as set forth in this Section 15.02 below. Any demand of the Owner for reimbursement of any City Funds previously paid is subject to Section 4.10 of this Agreement. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, foreclosure of the Junior Mortgage (subject to HUD's prior written consent as provided in Section 4.10 of this Agreement), injunctive relief or the specific performance of the agreements contained in this Agreement or under the Junior Mortgage.

Upon the occurrence of an Event of Default under Section 15.01(m), Developer shall be obligated to pay to the City the amount of $10,000 as liquidated damages, and not as a penalty, which such payment shall be required no more often than once per calendar year. Any payment of liquidated damages by Developer shall not relieve Developer of its obligation under Section 8.20.

Upon the occurrence of an Event of Default because of failure to comply with Section 8.22, (Sustainable Development Policy), the City's remedy shall be the right to reduce the amount of City Funds by up to $250,000.

15.03 Curative Period. In the event Developer shall fail to perform a monetary covenant which 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 Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer shall fail to perform a non-monetary covenant which 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 Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has started 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.

15.04 Additional Notice and Cure Rights. If an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the Limited Partner and each of the lenders providing Lender Financing at the addresses in Section 17, and Limited Partner and each of such lenders shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

(a) if the Event of Default is a monetary default, any party entitled to cure such default may cure it within 30 days after the expiration of the cure period, if any, granted to Developer with respect to such monetary default; and

(b) if the Event of Default is of a non-monetary nature, any party entitled to cure such default shall have the right to cure it within 30 days after the expiration of the cure period, if any, granted to Developer with respect to such non-monetary default; provided, however, that if such non-monetary default is not reasonably capable of being cured by the Limited Partner or any lender providing Lender Financing within such 30-day period, such period shall be extended for such reasonable period of time agreed to by the City as may be necessary to cure such default, provided that the party seeking such cure must diligently and continuously prosecute the cure of such default until the same has been cured and, if possession of the Project is necessary to effect such cure, the party seeking such cure must have instituted appropriate legal proceedings to obtain possession to the extent such party has the right to do so.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date of this Agreement with respect to the Property or any portion thereof that were made before or on the date of this Agreement in connection with Lender Financing and which are Permitted Liens are referred to in this Agreement as the "Existing Mortgages." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to in this Agreement as a "New Mortgage." Any New Mortgage that 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 in this Agreement as a "Permitted Mortgage." The City and Developer agree as follows:

(a) If a mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) If any mortgagee shall succeed to 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 Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" under this Agreement; 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 Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of Developer which accrued before such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest under this Agreement, 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) During the Term of the Agreement, Developer shall not execute a New Mortgage with respect to the Property or any portion of the Property without the prior written consent of the Commissioner.

SECTION 17. NOTICE

' Unless otherwise specified, any notice, demand or request required under this Agreement 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:	**If to Developer**:
City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner	1539 N. Pulaski Road HHDC, LP And 1539 N. Pulaski Road Charitable Corporation 325 North Wells Street, 8th Floor Chicago, IL 60654 Attention: President Attention: CFO
With Copies To: City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division	With Copies To: Skalitzky Law, P.C. 735 S. Elmwood Avenue Oak Park, IL 60304 Attention: Bill Skalitzky Lender: Associated Bank, N.A. **Stefanie A. Bachrach** Senior Vice President, Associated Community Development Commercial Real Estate 111 E. Kilbourn Ave, Suite 600 Milwaukee, WI 53202 Office: (414) 283-2372 | Cell: (414) 975-1778 Stefanie.Bachrach@AssociatedBank.com With a copy to: Duane Morris, LLP 190 South LaSalle Street, Suite 3700 Chicago, IL 60603 Attn: Daniel Kohn Limited Partner NEF Assignment Corporation

	540 W Madison, Suite 1900 Chicago, IL 60661 Attention: General Counsel
If to HHDC: Hispanic Housing Development Corporation 325 North Wells Street, 8th Floor Chicago, IL 60654 Attention: President	**If to HUD**: United States Department of Housing and Urban Development Legal Department – Chief Program Attorney 77 W. Jackson Boulevard, 26th Floor Chicago, Illinois 60604 Re: HUD Project 071-EE256

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 its Exhibits may not be amended or modified without the prior written consent of the parties to this Agreement and HUD; provided, however, that the City, in its sole discretion, may amend, modify, or supplement the Redevelopment Plan without the consent of any party to this Agreement. No material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days. Any extension to the time agreed for performance by Developer granted under this Section 18.01 is in addition to any extension granted under Section 3.04.

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

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. 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 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 Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms of this Agreement. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties to this Agreement, shall constitute a waiver of any such parties' rights or of any obligations of any other party to this Agreement as to any future transactions.

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

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, except as provided in Section 15.01 herein and paragraph R-10 of the HUD Rider.

18.08 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.

18.09 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 in this Agreement and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.10 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.

18.11 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.

18.12 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.

18.13 Approval. Wherever this Agreement provides for the approval or consent of the City, DPD or the Commissioner, or any matter is to be to the City's, DPD's or the Commissioner's

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

18.14 Assignment. 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; provided that Developer may pledge its interests in this Agreement to Associated Bank in connection with the Lender Financing. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, as described in Section 7.02 (Effect of Issuance of Certificate; Continuing Obligations), for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment, or other disposal of this Agreement at any time in whole or in part.

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

18.16 Force Majeure. Neither the City nor 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 under this Agreement. The individual or entity relying on this Section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this Section with respect to any such delay may rely on this Section only to the extent of the actual number of days of delay effected by any such events described above.

18.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, 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 Developer has locations in the State. Failure by Developer to provide such notice as described above may result in an Event of Default.

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

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

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

18.21 Incorporation of HUD Rider. The document entitled "HUD Required Provisions Rider" attached hereto as Exhibit E (the "HUD Rider") is hereby incorporated into this Agreement as if fully set forth herein and shall remain part of this Agreement for so long as the Secretary of HUD or his/her successors or assigns are the holders of the HUD Mortgage Note (as defined in the HUD Rider) that is secured by the HUD Mortgage (as defined in the HUD Rider) recorded against the Property. Upon such time as HUD is no longer the holder of the HUD Mortgage Note, or upon repayment of the Capital Advance or the expiration of the HUD Restrictions encumbering the Property, the parties hereto agree that the HUD Rider shall no longer be a part of this Agreement.

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

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

1539 N. PULASKI ROAD HHDC, LP,
an Illinois limited partnership

By: 1539 N. Pulaski Road GP, LLC, its General Partner

By: 1539 N. Pulaski Road Charitable Corporation, its sole member and manager

By: _____
Name: Tony Hernandez
Its: Vice President

1539 N. PULASKI ROAD CHARITABLE CORPORATION

By: _____
Name: Tony Hernandez
Its: Vice President

HISPANIC HOUSING DEVELOPMENT CORPORATION,
an Illinois not-for-profit corporation

By:_____
Name: Tony Hernandez
Its: President

CITY OF CHICAGO, by and through its Department of Planning and Development

By:_____
Ciere Boatright, Commissioner

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Tony Hernandez (the "Representative"), personally known to me to be the Vice President of 1539 N. Pulaski Road Charitable Corporation, an Illinois not-for-profit corporation ("Manager"), which is the sole member and manager of 1539 N. Pulaski Road GP, LLC, an Illinois limited liability company ("General Partner"), which is the sole general partner of 1539 N. Pulaski Road HHDC, LP, an Illinois limited partnership ("Limited Partnership" together with General Partner and Manager, the "Owner"), 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 the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by Owner, as the Representative's free and voluntary act and as the free and voluntary act of the Owner, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Tony Hernandez (the "Representative"), personally known to me to be the President of Hispanic Housing Development Corporation, an Illinois not-for-profit corporation ("HHDC"), 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 the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by HHDC, as the Representative's free and voluntary act and as the free and voluntary act of HHDC, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Tony Hernandez (the "Representative"), personally known to me to be the Vice President of 1539 N. Pulaski Road Charitable Corporation, an Illinois not-for-profit corporation ("1539 Charitable Corporation"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by 1539 Charitable Corporation, as the Representative's free and voluntary act and as the free and voluntary act of 1539 Charitable Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Ciere Boatright, personally known to me to be the Commissioner of Planning and Development (the "Commissioner") 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 the Commissioner signed, sealed, and delivered said instrument, pursuant to the authority given to the Commissioner by City, as the Commissioner's free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

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

_____
Notary Public

My Commission Expires_____

[(Sub)Exhibit "A" referred to in this 1539 N. Pulaski Road HHDC Redevelopment Agreement with Hispanic Housing Development Corporation constitutes Exhibit "C" to ordinance and printed on page 33046 of this *Journal*.]

[(Sub)Exhibits "C-1", "D" and "E" referred to in this 1539 N. Pulaski Road HHDC Redevelopment Agreement with Hispanic Housing Development Corporation unavailable at time of printing.]

[(Sub)Exhibit "C-2" referred to in this 1539 N. Pulaski Road HHDC Redevelopment Agreement with Hispanic Housing Development Corporation printed on pages 33115 through 33117 of this *Journal*.]

(Sub)Exhibit "B" referred to in this 1539 N. Pulaski Road HHDC Redevelopment Agreement with Hispanic Housing Development Corporation reads as follows:

(Sub)Exhibit "B".
(To 1539 N. Pulaski Road HHDC Redevelopment Agreement With
Hispanic Housing Development Corporation)

Project Budgets (Project Budget, MBE/WBE Budget And TIF-Funded Improvements).[1]

[Attached Project Budget and Eligible Costs printed on
pages 33112 through 33114 of this *Journal*.]

Notwithstanding the total of TIF-Funded improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03.

[1] The MBE/WBE budget is an estimate calculated as of the Closing Date. The final amounts will be based on the final hard construction costs of the Project.

Project Budget And Eligible Costs.

Project Budget	
Line Item	**Amount**
Building Cost	$230,000
Land Cost	$630,000
Carrying Costs	$172,557
Transfer Stamps	$7,000
Acquisition Costs Subtotal	**$1,039,557**
Net Construction Costs	$21,618,564
General Conditions	$1,405,207
Overhead	$462,745
Profit	$1,405,207
Construction Costs Subtotal	**$24,891,723**
Furniture, Fixtures, & Equipment	$118,340
Building Permits	$168,500
GC Insurance	$280,000
Fencing	$101,975
Landscaping	$146,127
Site Preparation	$435,668
Other Construction	$331,968
Contingency	$1,295,373
Other Construction Subtotal	**$2,877,951**
Streets	$138,940
Electrical & Gas	$263,008
Sidewalk	$138,940
Sewer & Water	$263,008
Infrastructure Subtotal	**$803,896**
Soil Testing	$104,000
Other Environmental	$50,700
Environmental Subtotal	**$154,700**
Architect - Design	$337,860
Architect - Supervision	$109,970
Engineering Fees	$263,012
Permit Expediter	$60,000
As-Is Plats & Surveys	$10,000
Accountant - Tax Preparation	$4,000
Accountant -- 8609s	$18,000
Accountant -- General	$18,000
Legal - Organizational	$285,000
Legal - Syndication	$151,500
Consultant - Historic	$5,000

MBE Budget	**WBE Budget**
$5,620,827	$1,297,114
$365,354	$84,312
$120,314	$27,765
$365,354	$84,312
$6,471,848	**$1,493,503**

*The amounts for Development Costs set forth in the MBE/WBE Budget table above do not include contingency allowances. To the extent that any contingency allowance is spent or the Development Costs listed above increase, the required MBE/WBE minimum contract amounts will adjust accordingly.

Consultant - Financial	$60,000
Consultant - TIF	$39,313
Appraisal	$13,800
Market Study	$21,150
Phase I Environ. Report	$12,550
Phase II Environ. Report	$15,000
Title & Recording Fees	$50,000
Other Professional Fees	$173,561
Professional Fees Subtotal	**$1,647,716**
Tax Credit Issuer Fees	$188,252
Application Fees	$11,500
Construction Points	$302,314
Construction Inspection	$30,000
Lender Legal Fees	$90,000
MIP	$10,000
Bond -- Other	$2,500
Construction Interest	$831,478
Other Lender Fees	$15,000
Lender Fees Subtotal	**$1,481,044**
Liability Insurance	$52,317
Other Construction Period	$62,171
Construction Period Subtotal	**$114,488**
Leasing Personnel	$45,000
Advertising	$10,000
Marketing & Leasing Subtotal	**$55,000**
Developer Fee	$1,856,356
Developer Fee Subtotal	**$1,856,356**
Lease-Up Reserve	$108,400
ACC Reserve	$25,000
Insurance Reserve	$94,500
Operating Reserve	$301,926
Replacement Reserve	$45,750
Other Reserves	$661,327
Reserves Subtotal	**$1,236,903**
Grand Total Dev Costs	**$36,159,334**
Project MBE Total at 26% =	**$6,471,848**
Project WBE Total at 6% =	**$1,493,503**
PROJECT SOURCES	
Equity	$16,198,170
Lender Financing	$0
TIF	$13,244,690
Other funds	$6,716,474
TOTAL:	**$36,159,334**

1539 N Pulaski Apartments			**Affordable Units/Total Residential Units: 97.69%**	
			Gross Resi SF/Total Gross SF: 100.00%	
TIF-FUNDED IMPROVEMENTS				
Category	**Project Budget Amount ***	**Adjusted Project Budget Amount ***	**% TIF Eligible**	**TIF Eligible Cost****
New Construction: Cost of construction of new housing units to be occupied by low-income households and very low-income households (90% of Construction Costs by Square Foot) ***	$22,402,551	$21,885,742	50%	$10,942,871
Rehabilitation: Cost of construction of new housing units to be occupied by low-income households and very low-income households (10% of Construction Costs by Square Foot) ***	$2,489,172	$2,431,749	100%	$2,431,749
Demolition	$442,185	$442,185	100%	$434,936
Eligible Soft Costs - Architectural Expenses	$447,830	$440,489	50%	$220,244
Eligible Soft Costs - Engineering Fees	$263,012	$258,700	50%	$129,350
Total **				**$15,490,107**

* Project Budget amounts above are based upon 60 affordable units.

** Notwithstanding the total of TIF eligible costs, and subject to the budget containing sufficient TIF eligible costs, the assistance to be provided by the City shall not exceed [$13,244,690].

*** Net Residential Construction Costs, General Contractor General Requirements (residential), General Contractor Overhead (residential), and General Contractor Profit (residential).

(Sub)Exhibit "C-2".
(To 1539 N. Pulaski Road HHDC Redevelopment Agreement With Hispanic Housing Development Corporation)

Adopt-A-Landmark Budget.

Subject to the review and approval of the Commission on Chicago Landmarks and in accordance with any Commission/PRC conditions of approval (and as depicted on drawings prepared by UrbanWorks Ltd. and Arda Design, dated 3/19/2025) the project Scope of Work and Budget under Adopt-A-Landmark Fund for the Landmark Building shall consist of:

West Elevation Masonry

Terra Cotta Units - Repair in Situ **$275,058**

- Repair and cleaning, including graffiti removal, of isolated terra cotta units in place where indicated on the elevations. Architect/Engineer will finalize terra cotta repair types, locations, and quantities during construction. Repairs will include routing and sealing cracks, removal of abandoned anchors and hardware, and patching/glazing spall repairs. Total area of terra cotta facade is approximately 2400 sf.

Terra Cotta Units – Remove & Reset **$100,023**

- Removal of horizontal courses of terra cotta units where indicated on plans. Repair and cleaning of masonry backup as necessary and cleaning and painting all exposed steel at openings. Install new steel support structure and anchors where existing steel is compromised. Architect/Engineer will finalize steel repair types, locations, and quantities during construction. Total area of units to be removed and reset is approximately 1000 sf.

Terra Cotta Units – Replacement **$200,046**

- Provide replacement GFRC units for missing terra cotta units. Terra cotta units designated for replacement are identified in the elevations. Architect/Engineer to finalize terra cotta replacement locations and quantities during construction. Approximately three dozen replacement units are required.

Masonry/Tuckpointing **$510,627**

- Terra Cotta at full elevation – Grind and point all terra cotta mortar joints at the west elevation as indicated on the elevations. Mortar color is to match existing mortar after cleaning. Hand raking is required at all decorative units and freeze bands. Grinders may be allowed at field joints and parapet after approved mockups. Total area of terra cotta facade is approximately 2400 sf.

- Replace Coping Sky joints – At all upward facing joints between terra cotta units within repair areas (i.e. water tables, windowsills, copings), remove mastic or remove existing mortar to a depth of 1" and install backer rod and sealant.
- Install Through-wall Parapet Flashing – Remove, salvage, and reset all terra cotta coping units at the west elevation parapet and install through-wall flashing. Replace damaged terra cotta units as designated on the elevations.
- Removal of brake metal cladding at parapet. Terra cotta units found to be damaged or otherwise compromised to be replaced.

***North and South Elevations Masonry** **$94,500**

- Repoint, Replace Common Brick – Grind and point all joints at common brick to remain at north and south elevations. Replace compromised units as indicated on plans and elevations. Total area of common brick is approximately 2500 sf; approximately 800 sf full replacement.

***West Elevation Window/Storefront**

Ground Floor Windows $440,000

- Remove non-historic aluminum storefront infill at existing window and door openings. Install new aluminum window and storefront system with applied historic profile. New window configurations will match original configuration per historic photographs. New entry system includes a historically compatible revolving door. Total area of window and entry replacement is approximately 820 sf.

Second Floor Windows $88,400

- Remove non-historic aluminum storefront infill at existing window openings. Install new clad-wood window units. New window configurations will match original configuration per historic photographs. Total area of new windows is approximately 425 sf.

Lobby Work $421,160

- Removal of existing tile flooring and providing new historically compatible tile floor finish, full-depth plaster wall and ceiling reconstruction and repair. Replication of missing plaster ornamentation to match existing profiles and reconstruction of existing grand stair with historically compatible metal pan stair assembly and ornamentation.

Third-party Architect $25,750

New Construction

- The proposed building type will be a single six-story, new construction, dual elevator building in a contemporary design using Type II-A non-combustible construction. The primary structural system will be cold-formed metal framing, with bearing walls at exterior walls and corridors, and structural steel framing where required at the ground floor. The floor and roof assemblies will utilize cold formed metal trusses with metal

[redacted]

deck. The building will include a fire sprinkler system complying with NFPA-13 and a 4-hour rated fire wall where the new construction meets the existing building.

• **Acquisition**	**$1,039,557**
• **New & Other Construction**	**$26,429,212**
• **Soft Costs**	**$5,298,092**
• **Reserves**	**$1,236,909**
TOTAL PROJECT COSTS	**$36,159,334**
ADOPT-A-LANDMARK GRANT	**$510,000**

***The intent of this work is to address all exterior issues present on the landmark building**

*Notwithstanding the total amount of Adopt-a-Landmark eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.09 and shall not exceed $510,000.

FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT WITH CHICAGO PARK DISTRICT FOR ALLOCATION OF TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR IMPROVEMENTS AT RONAN PARK, 3000 W. ARGYLE ST. OR 2954 W. LAWRENCE AVE.

[O2025-0019923]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance concerning the authority to enter into and execute the First Amendment to the intergovernmental agreement with the Chicago Park District for the allocation of Tax Increment Financing (TIF) funds from the Lawrence Kedzie TIF District for improvements at Ronan Park, located at 3000 West Argyle Street or 2954 West Lawrence Avenue in the 33rd Ward (O2025-0019923), in an amount not to exceed $2,850,000 TIF, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois and, as such, is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, In accordance with the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, et seq., as amended (the "Act"), and pursuant to ordinances adopted on February 16, 2000, the City Council of the City (the "City Council"): (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "Lawrence/Kedzie Redevelopment Project Area" (the "Area"); (ii) designated the Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Area; and

WHEREAS, Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Area shall be known as the "City Increment"); and

WHEREAS, In an ordinance adopted on June 25, 2021 and published at pages 31620 to 31625 of the *Journal of the Proceedings of the City Council of the City of Chicago* for said date, the City Council authorized the Department of Planning and Development of the City ("DPD") to use a portion of the City Increment in an amount not to exceed $3,500,000 for the purpose of making certain improvements at Ronan Park, which is generally located at 3000 West Argyle Street, Chicago, Illinois 60625 or 2954 West Lawrence Avenue, Chicago, Illinois 60625 (the "Project") in the Area, and authorized the making of an intergovernmental agreement; and

WHEREAS, On March 9, 2022, the City and the Park District entered into an Intergovernmental Agreement (the "Agreement") whereby the City agreed to pay or reimburse the Park District for a portion of the Project; and

WHEREAS, DPD desires to reallocate to the Park District an additional $2,850,000 from the City Increment in order to pay for additional TIF-funded improvements in the Project; and

WHEREAS, The City and the Park District desire to enter into an amendment to the Agreement in substantially the form attached as Exhibit A (the "First Amendment") whereby the City shall increase the amount of assistance by $2,850,000 for a total of $6,350,000 to pay or reimburse the Park District for certain costs of the Project; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioner of Planning and Development (the "Commissioner") and a designee are each hereby authorized, subject to the approval of the Corporation Counsel, to negotiate, execute and deliver the First Amendment in substantially the form attached hereto as Exhibit A and made a part hereof and such other documents as may be necessary to carry out and comply with the provisions of the First Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the First Amendment on behalf of the City.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 4. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

First Amendment To Intergovernmental Agreement.

This amendment (the "First Amendment") to that certain Intergovernmental Agreement by and between the City of Chicago ("City"), an Illinois municipal corporation, by and through its Department of Planning and Development ("DPD"), and the Chicago Park District (the "Park District"), a body politic and corporate, dated as of March 9, 2022 (the "Agreement"), is made and entered into as of _____, 2025, by and between the City and the Park District.

Recitals.

Whereas, An ordinance approved by the City Council of the City (the "City Council") on June 25, 2021, and published at pages 31620 -- 31625 of the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of that date, authorized the Commissioner of Planning and Development (the "Commissioner") to execute an intergovernmental agreement with the Park District to make certain improvements at Ronan Park (the "Project"), generally located at 3000 West Argyle Street, Chicago, Illinois 60625 or 2954 West Lawrence Avenue, Chicago, Illinois (the "Property"); and

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

Whereas, In accordance with the provisions of the Act, and pursuant to ordinances adopted on February 16, 2000, and published in the *Journal* for said date at pages 24802 -- 24917, the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the "Lawrence/Kedzie Redevelopment Project Area" (the "Lawrence/Kedzie Redevelopment Area"); (ii) designated the Lawrence/Kedzie Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Lawrence/Kedzie Redevelopment Area; and

Whereas, Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Kennedy/Kimball Redevelopment Area shall be known as the "City Increment"); and

Whereas, Pursuant to the Agreement and in accordance with the Act, DPD agreed to provide to the Park District a portion of the City Increment in an amount not to exceed $3,500,000 for the purpose of funding certain Project costs to the extent and in the manner provided in the Agreement; and

Whereas, The City wishes to make available to the Park District an additional portion of the City Increment in an amount not to exceed $2,850,000 for the purpose of paying for or reimbursing the Park District for certain Project costs; and

Whereas, The City and the Park District also wish to amend the Agreement to change the scope of the Project as described in (Sub)Exhibit A to the Agreement; and

Whereas, On January 22, 2025, the Park District's Board of Commissioners (the "Board") adopted a resolution authorizing the execution of this First Amendment; and

Whereas, On [_____], the City Council authorized an ordinance which is published at pages [_____] to [_____] of the *Journal* of said date that authorized the making of this First Amendment;

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 Amendment by reference.

Section 2.

Terms And Conditions.

1. Recital J is hereby amended by deleting in its entirely and replacing with:

   DPD wishes to make available to the Park District a portion of the Area Increment in an amount not to exceed $6,350,000 (the "TIF Assistance"), subject to Section 2.6, for the purpose of funding the Project on the Property (the "TIF-Funded Improvements") in the Area to the extent and in the manner provided in the Agreement.

2. Section 2.6 of the Agreement is hereby amended by deleting the amount of $3,500,000 and inserting the amount of $6,350,000.

Section 3.

Exhibits.

1. Exhibit A to the Agreement is hereby amended by deleting Exhibit A, Project in its entirety and replacing it with Exhibit A as indicated below:

Exhibit "A".

Project.

The project at Ronan includes the redevelopment of the community gardens and a new enhanced park entrance and gateway to include a shade structure, pedestrian plaza, river overlook.

2. Exhibit B to the Agreement is hereby amended by deleting Exhibit B, Project Budget in its entirety and replacing it with Exhibit B as indicated below:

Exhibit "B".

Project Budget.

Sources	Amount
Lawrence Kedzie TIF	$6,350,000
Total:	$6,350,000

Uses	Amount
Design	$ 700,000
Ronan Global Garden	1,650,000
Ronan Plaza	4,000,000
Total:	$6,350,000

The Commissioner may approve changes to this preliminary budget.

Section 4.

General Provisions.

1. If any of the provisions of the Agreement conflict with the provisions of this First Amendment, the provisions of this First Amendment shall prevail.

2. Except as modified by this First Amendment, the Agreement shall remain in full force and effect.

In Witness Whereof, The parties hereto have caused this First Amendment to be executed and delivered as of the date first above written.

City of Chicago

By: _____

Name: Ciere Boatright

Its: Commissioner of Planning and Development

Chicago Park District

By: _____

Name: Carlos Ramirez-Rosa

Its: General Superintendent and CEO

Attest:

By: _____
Sarah Gelder,
Secretary of the Board
of Commissioners

FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT WITH CHICAGO PARK DISTRICT FOR ALLOCATION OF TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR IMPROVEMENTS AT RIVER PARK, 5100 N. FRANCISCO AVE.
[O2025-0019922]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance concerning the authority to enter into and execute the First Amendment to the intergovernmental agreement with the Chicago Park District for the allocation of Tax Increment Financing (TIF) funds from the Lawrence Kedzie TIF District for improvements at River Park, 5100 North Francisco Avenue in the 33rd Ward (O2025-0019922), in an amount not to exceed $200,000 TIF, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City"), is a home rule unit of government under Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Chicago Park District (the "Park District"), is an Illinois municipal corporation and a unit of local government under Article VII, Section 1 of the 1970 Constitution of the State of Illinois and, as such, is authorized to exercise control over and supervise the operation of all parks within the corporate limits of the City; and

WHEREAS, In accordance with the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.1, et seq., as amended (the "Act"), and pursuant to ordinances adopted on February 16, 2000, the City Council of the City (the "City Council"): (i) approved and adopted a redevelopment plan and project for a portion of the City known as the "Lawrence/Kedzie Redevelopment Project Area" (the "Area"); (ii) designated the Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Area; and

WHEREAS, Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Area shall be known as the "City Increment"); and

WHEREAS, In an ordinance adopted on June 25, 2021 and published at pages 31641 to 31646 of the *Journal of the Proceedings of the City Council of the City of Chicago* for said date, the City Council authorized the Department of Planning and Development of the City ("DPD") to use a portion of the City Increment in an amount not to exceed $750,000 for the purpose of making certain improvements at River Park, which is generally located at 5100 North Francisco Avenue, Chicago, Illinois 60625 (the "Project") in the Area, and authorized the making of an intergovernmental agreement; and

WHEREAS, On March 9, 2022, the City and the Park District entered into an Intergovernmental Agreement (the "Agreement") whereby the City agreed to pay or reimburse the Park District for a portion of the Project; and

WHEREAS, DPD desires to reallocate to the Park District an additional $200,000 from the City Increment in order to pay for additional TIF-funded improvements in the Project; and

WHEREAS, The City and the Park District desire to enter into an amendment to the Agreement in substantially the form attached as Exhibit A (the "First Amendment") whereby the City shall increase the amount of assistance by $200,000 for a total of $950,000 to pay or reimburse the Park District for certain costs of the Project; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioner of Planning and Development (the "Commissioner") and a designee are each hereby authorized, subject to the approval of the Corporation Counsel, to negotiate, execute and deliver the First Amendment in substantially the form attached hereto as Exhibit A and made a part hereof and such other documents as may be necessary to carry out and comply with the provisions of the First Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the First Amendment on behalf of the City.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 4. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

First Amendment To Intergovernmental Agreement.

This amendment (the "First Amendment") to that certain Intergovernmental Agreement by and between the City of Chicago ("City"), an Illinois municipal corporation, by and through its Department of Planning and Development ("DPD"), and the Chicago Park District (the "Park District"), a body politic and corporate, dated as of March 9, 2022 (the "Agreement"), is made and entered into as of _____, 2025, by and between the City and the Park District.

Recitals.

Whereas, An ordinance approved by the City Council of the City (the "City Council") on June 25, 2021, and published at pages 31641 -- 31646 of the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of that date, authorized the

Commissioner of Planning and Development (the "Commissioner") to execute an intergovernmental agreement with the Park District to make certain improvements at River Park (the "Project"), generally located at 5100 North Francisco Avenue, Chicago, Illinois 60625 (the "Property"); and

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

Whereas, In accordance with the provisions of the Act, and pursuant to ordinances adopted on February 16, 2000, and published in the *Journal* for said date at pages 24802 -- 24917, the City Council: (i) approved and adopted a Tax Increment Redevelopment Project and Plan (the "Plan") for a portion of the City known as the "Lawrence/Kedzie Redevelopment Project Area" (the "Lawrence/Kedzie Redevelopment Area"); (ii) designated the Lawrence/Kedzie Redevelopment Area as a "redevelopment project area" and a Tax Increment Financing District; and (iii) adopted tax increment allocation financing for the Lawrence/Kedzie Redevelopment Area; and

Whereas, Under 65 ILCS 5/11-74.4-3(q)(7), such incremental ad valorem taxes which pursuant to the Act have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs (Increment collected from the Kennedy/Kimball Redevelopment Area shall be known as the "City Increment"); and

Whereas, Pursuant to the Agreement and in accordance with the Act, DPD agreed to provide to the Park District a portion of the City Increment in an amount not to exceed $750,000 for the purpose of funding certain Project costs to the extent and in the manner provided in the Agreement; and

Whereas, The City wishes to make available to the Park District an additional portion of the City Increment in an amount not to exceed $200,000 for the purpose of paying for or reimbursing the Park District for certain Project costs; and

Whereas, The City and the Park District also wish to amend the Agreement to change the scope of the Project as described in (Sub)Exhibit A to the Agreement; and

Whereas, On January 22, 2025, the Park District's Board of Commissioners (the "Board") adopted a resolution authorizing the execution of this First Amendment; and

Whereas, On [_____], the City Council authorized an ordinance which is published at pages [_____] to [_____] of the *Journal* of said date that authorized the making of this First Amendment;

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 Amendment by reference.

Section 2.

Terms And Conditions.

1. Recital J is hereby amended by deleting in its entirely and replacing with:

   DPD wishes to make available to the Park District a portion of the Area Increment in an amount not to exceed $950,000 (the "TIF Assistance"), subject to Section 2.6, for the purpose of funding the Project on the Property (the "TIF-Funded Improvements") in the Area to the extent and in the manner provided in the Agreement.

2. Section 2.6 of the Agreement is hereby amended by deleting the amount of $750,000 and inserting the amount of $950,000.

Section 3.

Exhibits.

1. Exhibit A to the Agreement is hereby amended by deleting (Sub)Exhibit A, Project in its entirety and replacing it with (Sub)Exhibit A as indicated below:

Exhibit "A".

Project.

The project at River Park will provide the installation of the non-motorized boat storage with pathway infrastructure and water access to support existing and expanding paddling programming. Site improvements at River Park will create accessible pathways to the boat launce which will be equipped to support individuals with physical disabilities.

2. Exhibit B to the Agreement is hereby amended by deleting (Sub)Exhibit B, Project Budget in its entirety and replacing it with (Sub)Exhibit B as indicated below:

Exhibit "B".

Project Budget.

Sources	Amount
Lawrence Kedzie TIF	$950,000
Total:	$950,000

Uses	Amount
Design	$ 50,000
Grading, remediation and pathway infrastructure improvement	450,000
Water craft storage and supporting infrastructure improvement	450,000
Total:	$950,000

The Commissioner may approve changes to this preliminary budget.

Section 4.

General Provisions.

1. If any of the provisions of the Agreement conflict with the provisions of this First Amendment, the provisions of this First Amendment shall prevail.

2. Except as modified by this First Amendment, the Agreement shall remain in full force and effect.

In Witness Whereof, The parties hereto have caused this First Amendment to be executed and delivered as of the date first above written.

City of Chicago

By: _____

Name: Ciere Boatright

Its: Commissioner of Planning and Development

Chicago Park District

By: _____

Name: Carlos Ramirez-Rosa

Its: General Superintendent and CEO

Attest:

By: _____
Sarah Gelder,
Secretary of the Board
of Commissioners

FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT WITH JTA DEVELOPMENT, INC. REGARDING PROVISION OF TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR RENAISSANCE ESTATES PROJECT AT 1555 W. 122ND ST.

[O2025-0019917]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance approving the First Amendment to the Redevelopment Agreement with JTA Development, Inc. to modify the payment structure and extend the project completion date for the Renaissance Estates project located at 1555 West 122nd Street in the 21st Ward (O2025-0019917), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois, the City of Chicago (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; and

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

WHEREAS, Pursuant to an ordinance adopted by the City Council (the "City Council") of the City on November 6, 2002, a certain redevelopment plan and project (the "Plan") for the 119th Street/I-57 Redevelopment Project Area (the "Area") was approved pursuant to the Act; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on November 6, 2002, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, Pursuant to an ordinance adopted by the City Council on November 6, 2002, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, Pursuant to an ordinance ("TIF Redevelopment Agreement Ordinance") adopted by the City Council on November 12, 2003 and published at pages 11609 -- 11720 of the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date, the City entered into that certain JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement dated as of April 11, 2006 and recorded on the same date as Document Number 0610134063 in the Office of the Cook County Recorder of Deeds (the "Redevelopment Agreement") with JTA Development, Inc., an Illinois corporation ("JTA"), Renaissance Estates Phase One, L.P., an Illinois general partnership ("Phase One Beneficiary"), Chicago Title Land Trust Company as successor trustee to LaSalle Bank N.A., as trustee under trust agreement dated November 6, 2001 and known as Trust Number 128423 ("Land Trust 1") and Chicago Title Land Trust Company as successor trustee to LaSalle Bank N.A., as trustee under trust agreement dated May 13, 2003 and known as Trust Number 131252 ("Land Trust II") (collectively, JTA, the Phase One Beneficiary, Land Trust 1 and Land Trust II are referred to herein as the "Developer"); and

WHEREAS, On October 6, 2010, the City Council adopted an ordinance published at pages 99946 -- 99971 of the *Journal* for such date, which amended the TIF Redevelopment Agreement Ordinance and authorized an amendment (the "Original Amendment") to the Redevelopment Agreement; and

WHEREAS, The City Council adopted an ordinance (the "Revised Amendment Ordinance") on February 28, 2018, published at pages 66085 -- 66103 of the *Journal* for such date, which authorized a revised amendment (the "Revised Amendment") to the Redevelopment Agreement; and

WHEREAS, The City and Developer have not executed the Revised Amendment; and

WHEREAS, The Developer has encountered a number of challenges that have caused changes to the timing of the Project, which changes include, without limitation, extending the Project completion date; and

WHEREAS, In order to facilitate completion of the Project, the City and Developer now desire to amend the Revised Amendment Ordinance to replace the Revised Amendment attached as Exhibit A thereto with a further revised amendment to extend the Project completion date; now, therefore,

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

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Revised Amendment Ordinance is hereby amended by replacing the Revised Amendment attached thereto with the further revised amendment substantially in the form attached hereto as Exhibit A (the "Amendment").

SECTION 3. The Commissioner (the "Commissioner") of the Department of Planning and Development ("DPD") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver the Amendment, and to execute such other supporting documents as may be necessary to carry out and comply with the provisions of the Amendment, with such changes, deletions and insertions as shall be approved by the persons executing the Amendment. The Commissioner or a designee of the Commissioner is each hereby authorized to give such approvals and consents on behalf of the City as are expressly provided for in the Amendment.

SECTION 4. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 5. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict.

SECTION 6. This ordinance takes effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

First Amendment To JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement.

This First Amendment to the JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement (the "First Amendment") is made as of this _____ day of _____, 2025, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and JTA Development, Inc., an Illinois corporation (the "Developer").

Recitals.

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

C. To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 6, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 119th Street/I-57 Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 119th Street/I-57 Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 119th Street/ I-57 Redevelopment Project Area" (the "TIF Adoption Ordinance") (items (1) -- (3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in (Sub)Exhibit A to the Agreement (defined below).

D. Pursuant to an ordinance adopted by the City Council on November 12, 2003, the City and the Developer and the Developer's predecessors-in-interest Renaissance Estates Phase One, L.P., an Illinois general partnership ("Phase One Beneficiary"), Chicago Title Land Trust Company as successor trustee to LaSalle Bank N.A., as trustee under trust agreement dated November 6, 2001 and known as Trust Number 128423 ("Land Trust 1") and Chicago Title Land Trust Company as successor trustee to LaSalle Bank N.A., as

trustee under trust agreement dated May 13, 2003 and known as Trust Number 131252 ("Land Trust II"), entered into that certain JTA Development, Inc. Redevelopment Agreement dated April 11, 2006 and recorded on April 11, 2006 against the Property legally described on (Sub)Exhibit A attached hereto with the Cook County Recorder of Deeds as Document Number 0610134063 (the "Agreement", and collectively with this Amendment, the "Amended Agreement"), as authorized by the City Council of the City on November 6, 2002.

E. The Developer has succeeded to all rights and interest of Phase One Beneficiary, Land Trust 1 and Land Trust II.

*G. Subsequent to the execution of the Agreement, the Developer has constructed Phase I of the Project (and has subsequently received the Phase I Certificate), has received full payment on City Note Number 1, and has commenced construction of Phase II. However, due to wide-spread market challenges, the Developer is unable to complete Phase II without, among other things, additional financial assistance from the City and certain changes to the Agreement. The Developer and the City have agreed to enter into this First Amendment to memorialize certain changes to the 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 One.

Incorporation; Definitions.

1.01 The recitals set forth above and the exhibits attached hereto are incorporated herein by reference and made a part hereof.

1.02 Any capitalized term used but not otherwise defined herein shall have the same meaning as set forth in the Agreement.

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* Editor's note: Lettering sequence error; F missing in original document.

Section Two.

Amended Definitions.

2.01 City Note Number 2 And City Notes. The definitions of City Note Number 2 and City Notes in the Agreement are hereby deleted. All references to City Note Number 2 in the Agreement are hereby deleted. All references to City Notes in the Agreement are hereby changed to City Note Number 1.

2.02 Available Incremental Taxes. The definition of Available Incremental Taxes in Section 2 of the Agreement is hereby amended as follows:

"Available Incremental Taxes" shall mean an amount equal to 95 percent of the Incremental Taxes deposited in the 119th Street/I-57 Redevelopment Project Area TIF Fund attributable to the taxes levied on the Area commencing in 2004. Any obligation by the City to so deposit Available Incremental Taxes shall be subject to the City obligations to: (i) make payments on any outstanding TIF Bonds (including the payment of any related City Administrative Fee); (ii) make payments on any Bonds subsequently issued pursuant to the TIF Bond Ordinance; (iii) make payments on Prior Obligations; and (iv) pay any other amounts required to be paid pursuant to the Bond Ordinance and the TIF Bond Ordinance."

2.03 Annual Compliance Report. A new definition is hereby added to Section 2 of the Agreement as follows:

"Annual Compliance Report" shall mean a signed report from the Developer to the City: (a) itemizing each of the Developer's obligations under the Agreement during the preceding calendar year; (b) certifying the Developer's compliance or noncompliance with such obligations; (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance; and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements and unaudited financial statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.14); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (4) delivery of evidence of compliance with the affordability requirements (Section 8.20); and (5) compliance with all other executory provisions of the Agreement."

2.04 Post-Completion TIF Payment. A new definition is hereby added to Section 2 of the Agreement, as follows:

"Post-Completion TIF Payment shall have the meaning set forth in Section 4.03 hereof."

2.05 Prior Obligations. A new definition is hereby added to Section 2 of the Agreement as follows:

"Prior Obligations" shall be those City TIF obligations set forth on (Sub)Exhibit O of the Agreement.

Section Three.

Amended Project Budget, City Funds.

3.01 Section 3.01 of the Agreement is hereby amended to provide that the Project shall be completed on or before October 31, 2026.

3.02 Sections 3.03 and 4.01 of the Agreement are hereby amended to replace $20,067,313 as the total Project costs with $26,188,149.

3.03 (Sub)Exhibit C (TIF-Funded Improvements) of the Agreement is hereby amended as set forth on (Sub)Exhibit C Revised attached to this Amendment.

3.04 (Sub)Exhibit F (Project Budget) of the Agreement is hereby amended as set forth on (Sub)Exhibit F Revised attached to this Amendment.

3.05 Sections 4.01 and 4.03 of the Agreement are hereby amended to replace all references to $3,600,000 as the maximum amount of City Funds with $5,500,000.

3.06 Section 4.03(b) of the Agreement is hereby amended as follows:

"(b) Sources Of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse the Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Maximum Amount
Initial TIF Payment	$ 45,000
City Note Number 1	$1,000,000
Post-Completion TIF Payment	$4,455,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of Five Million Five Hundred Thousand Dollars ($5,500,000) or twenty-one percent (21%) of the actual total Project costs; and provided further, that the City Funds are to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any, shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as:

(i) The amount of the Available Incremental Taxes deposited into the 119th Street/ I-57 TIF Fund shall be sufficient to pay for such costs; and

(ii) The City has been reimbursed from Available Incremental Taxes for the amount previously disbursed by the City for TIF-Funded Improvements; and

(iii) The City agrees, if applicable, to issue TIF Bonds pursuant to, and subject to the conditions set forth in, Section 4.03(c).

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth in parts (i), (ii) and (iii) above. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to Section 4.01 hereof shall increase proportionately.

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to the Developer on the Closing Date.

Initial TIF Payment: At such time as there are sufficient Available Incremental Taxes produced by the Tax Parcel Index Numbers ("PINs") that make up the Project, and prior to any payment being made under City Note Number 1, the City shall make the Initial TIF Payment to Developer as reimbursement for certain TIF-Funded Improvements relating to the construction of streets in connection with the Project. The Initial TIF Payment shall be 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.

City Note Number 1: City Note Number 1 will be used to reimburse the Developer for TIF-Funded Improvements incurred in Phase I of the Project. From the date of issuance of the Phase I Certificate through but not including the date of issuance of the Project Certificate, City Note Number 1 will be funded solely from ninety-five percent (95%) of the Available Incremental Taxes produced by the PINs that make up the Project. From the date of issuance of the Project Certificate through and including the date that City Note Number 1 is paid in full, City Note Number 1 will be funded solely from ninety-five percent (95%) of the Available Incremental Taxes produced by the PINs that make up Phase I of the Project. City Note Number 1 will bear interest at a rate equal to the lesser of the Developer's Lender Financing or eight percent, and will only begin

to accrue interest upon the issuance of the Phase I Certificate. If, upon issuance of the Phase I Certificate, the principal amount of City Note Number 1 exceeds the costs of TIF-Funded Improvements incurred in Phase I, the principal amount of City Note Number 1, and any accrued interest, will be reduced accordingly. Payment on City Note Number 1 will not begin until issuance of the Phase I Certificate.

Post-Completion TIF Payment: Upon the issuance of the Project Certificate, and subject to the terms of this Agreement, including but not limited to this Section 4.03, the City shall make one Post-Completion TIF Payment of $4,455,000 to Developer as reimbursement forTIF-Funded Improvements incurred in the Project."

3.07 Section 7.01 is amended by deleting the reference therein to "Phase II".

Section Four.

Representations And Warranties; Covenants.

4.01 Compliance. A new Section 8.23 is hereby added to the Agreement as follows:

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

4.02 Costs. Developer hereby agrees to pay the City's costs of entering into this Amendment, including but not limited to bond counsel fees and recording fees.

4.03 Removal Of Gates. Developer represents that the gates blocking ingress/egress between Ashland Avenue and any publicly dedicated right-of-way onto the Property have been removed on or before the execution of this Amendment.

Section Five.

Miscellaneous.

5.01 Except as amended hereby, the provisions of the Agreement remain in full force and effect in accordance with its terms.

5.02 In the event of any conflict between the provisions of the Agreement and the provisions of this Amendment, the provisions of this Amendment shall control.

5.03 All prior agreements, whether written or oral, regarding the amendment of the Agreement are superseded by this Amendment.

5.04 This Amendment may be executed in counterparts, each of which shall be deemed an original.

5.05 The Developer shall cause one original counterpart of this Amendment, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of the county in which the Project is located. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Amendment showing the date and recording number of record.

In Witness Whereof, The parties hereto have caused this First Amendment to the JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement to be executed on or as of the day and year first above written.

City of Chicago, acting by and through its
Department of Planning and Development

By: _____
Ciere Boatright, Commissioner

JTA Development, Inc.

By: _____
John Powen, President

State of Illinois)
) SS.
County of Cook)

I, _____, a notary public in and for the said County, in the State aforesaid, Do Hereby Certify that John Powen, personally known to me to be the President of JTA Development, Inc., an Illinois corporation (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument,

before me this day in person and acknowledged that s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by Developer, as her/his free and voluntary act and as the free and voluntary act of Developer, for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2025.

_____
Notary Public

My commission expires: _____

[Seal]

State of Illinois)
) SS.
County of Cook)

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

Given under my hand and official seal this ____ day of _____, 2025.

_____
Notary Public

My commission expires: _____

[Seal]

(Sub)Exhibits "C", "F" and "O" referred to in this First Amendment to JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement read as follows:

(Sub)Exhibit "C" Revised.
(To First Amendment To JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement)

TIF-Funded Improvements.

Category	TIF-Eligible
Land Acquisition	$677,008
Demolition	$43,867
Site Preparation	
Utilities	$159,233
Excavation/Hauling/Clearing/Grading	$546,913
Environmental Remediation	$2,884,100
Public Improvements	
Sidewalks/Roads/Curbs & Gutters*	$412,158
Street Lighting	$91,552
Water Main & Sanitary Sewer	$409,874
Storm Sewer	$580,282
Site and Construction	
Architect/Engineer	$218,559
Soil Testing	$2,247
Sales Costs	
Market Study	$11,417
TIF Study and Related	$130,869
Construction Interest	**$324,128**
Total TIF-Eligible	**$6,492,207**

***Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City shall not exceed the lesser of $5,500,000 or the amount of costs DPD certifies as TIF-eligible.**

(Sub)Exhibit "F" Revised.
(To First Amendment To JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement)

Project Budget.

Category	Amount
Land Acquisition	**$942,000**
Demolition	**$43,867**
Site Preparation	
Utilities	$159,233
Excavation/Hauling/Clearing/Grading	$546,913
Environmental Remediation	$2,884,100
Site Preparation Total	**$3,590,246**
Public Improvements	
Sidewalks/Roads/Curbs & Gutters*	$412,158
Recreational	$160,000
Street Lighting	$91,552
Water Main & Sanitary Sewer	$409,874
Storm Sewer	$580,282
Public Improvements Total	**$1,653,866**
Site and Construction	
Architect/Engineer	$218,559
Soil Testing	$2,247
Other	$459,125
Site and Construction Total	**$679,931**
Sales Costs	
Market Study	$11,417
TIF Study and Related	$349,471
Other	$585,859
Sales Costs Total	**$946,747**
General and Administrative	
Insurance	$799,252
Title/Recording/Transfer	$104,784
Real Estate Taxes	$779,130
Other	$420,841
General and Administrative Total	**$2,104,007**
General Conditions	**$150,545**
Payroll and Related	**$990,429**
Construction Interest	**$1,617,222**
Unit Construction Hard Costs	**$13,469,289**
Total Project Cost	**$26,188,149**

(Sub)Exhibit "O".
(To First Amendment To JTA Development, Inc. (Renaissance Estates) Redevelopment Agreement)

Prior Obligations.

None.

AUTHORIZATION FOR ISSUANCE OF FINANCIAL ASSISTANCE FOR HOMAN SQUARE PHASE IV PROJECT AT 3607, 3621 AND 3645 W. POLK ST., 921 S. LAWNDALE AVE. AND 906 AND 908 S. CENTRAL PARK AVE.

[SO2025-0019900]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a substitute ordinance authorizing the issuance of financial assistance for the Homan Square Apartments Phase IV Holder, L.P. and restructuring of existing City financial assistance for the Homan Square Phase IV project at 3607, 3621 and 3645 West Polk Street, 906 and 908 South Central Park Avenue and 921 South Lawndale Avenue (24th Ward) (SO2025-0019900), in an amount not to exceed $20,000,000 Multi-Family Revenue Bonds, $10,000,000 TIF and ($6,500,000 from Homan-Arthington TIF and $3,500,000 ported from Midwest TIF), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 16, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, By virtue of Section 6(a) of Article VII of the 1970 Constitution of the State of Illinois (the "Constitution"), the City of Chicago (the "City") is a home rule unit of government and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City has determined that there exists within the City a serious shortage of decent, safe and sanitary housing available for persons of low- and moderate-income and that the continuance of a shortage of affordable housing is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, As a home rule unit and pursuant to the Constitution, the City is authorized and empowered to issue multi-family housing revenue obligations for the purpose of financing the cost of the acquisition, rehabilitation, construction, development, and equipping affordable multi-family housing facilities for low- and moderate-income families located in the City; and

WHEREAS, The City also has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing ("DOH"); and

WHEREAS, The City Council of the City (the "City Council"), pursuant to an ordinance enacted on July 8, 1998 and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") of such date at pages 72418 through 72425, inclusive, authorized DOH to extend a loan in the principal amount of $7,559,026 with an interest rate of zero percent per annum and an initial maturity date of November 4, 2028 (the "City HOME Loan") to West Side Village Phase IV Limited Partnership, an Illinois limited partnership (the "Current Owner"); and

WHEREAS, The City HOME Loan was secured by, among other things, that certain Junior Mortgage, Security Agreement and Financing Statement made by the Current Owner in favor of the City, dated November 4, 1998 and recorded on November 4, 1998 in the Cook County Clerk's Office (the "Clerk's Office") as Document Number 98994562 (as amended, the "City Mortgage"), and was further supported by that certain Regulatory Agreement executed by the Current Owner on November 4, 1998 and recorded on November 4, 1998 in the Clerk's Office as Document Number 98994558 (as amended, the "HOME Regulatory Agreement"); and

WHEREAS, Proceeds of the City HOME Loan were used by the Current Owner to provide for the acquisition of land and construction of six residential buildings for low- and moderate-income persons (the "Original Project") located at 3607, 3621 and 3645 West Polk Street, 906 and 908 South Central Park Avenue, and 921 South Lawndale Avenue in Chicago, Illinois and legally described on Exhibit F attached hereto (the "Property"); and

WHEREAS, In September 2004, the Current Owner restructured the financing for the Original Project in a manner which: (i) did not alter the principal amount, maturity or interest rate of the City HOME Loan; and (ii) subordinated the City Mortgage to all liens securing new senior financing; and

WHEREAS, In October 2014, the Current Owner again restructured the financing for the Original Project in a manner which: (i) did not alter the principal amount or interest rate of the City HOME Loan; (ii) extended the maturity date of the City HOME Loan; and (iii) subordinated the City Mortgage to all liens securing new senior financing; and

WHEREAS, The Current Owner now intends to sell the Property to Homan Square Apartments Phase IV Holder, L.P., an Illinois limited partnership (the "Borrower") and has requested that the City consent to this change in the ownership of the Original Project; and

WHEREAS, The Borrower wishes to acquire and rehabilitate the Property and the Original Project thereon (the "New Project"); and

WHEREAS, In connection with the New Project, DOH desires to approve a restructuring of the City HOME Loan (the "Third Restructuring") in a manner that: (i) will subordinate the City Mortgage to all liens securing new senior financing; (ii) will alter the outstanding principal balance of the City HOME Loan by partially forgiving the City HOME Loan in an amount no less than $2,000,000 and up to $4,200,000; (iii) will not alter the repayment terms of the existing City HOME Loan; (iv) will alter the interest rate on the principal balance of the existing City HOME Loan; (v) will extend the maturity date of the existing City HOME Loan; (vi) will consent to the assignment and assumption from the Current Owner to the Borrower of the documents and regulatory agreements executed in connection with the City HOME Loan; and (vii) will consent to the transfer of the Property to the Borrower (collectively, the "Material Terms"); and

WHEREAS, Further, by this ordinance (this "Ordinance"), the City Council has determined that it is necessary and in the best interests of the City to provide Multi-Family Program Funds and certain other funding, as provided herein, to the Borrower, the general partner of which is Homan Square Apartments Phase IV LLC, an Illinois limited liability company (the "General Partner"), the manager of which is Homan Phase IV Manager LLC, an Illinois limited liability company, the sole member and manager of which is FHS (as defined below), for the completion of the New Project; and

WHEREAS, The City Council adopted an ordinance the ("Inducement Ordinance") on July 18, 2025 preliminarily approving the New Project and evidencing the City's intent to issue multi-family housing revenue bonds, notes or other indebtedness in order to provide financing for costs associated with the New Project; and

WHEREAS, By this Ordinance, the City Council has determined that it is necessary and in the best interests of the City to enter into a funding loan agreement (the "Funding Loan Agreement") by and among the City, BMO Bank N.A., as Construction Funding Lender (the "Construction Funding Lender") and Cedar Rapids Bank & Trust Company, an Iowa state-chartered banking corporation, as Permanent Funding Lender (the "Permanent Funding Lender", and together with the Construction Funding Lender, the "Funding Lender"), pursuant to which the City will borrow a principal amount not to exceed Twenty Million Dollars ($20,000,000) (the "Funding Loan") for a portion of the purposes set forth above and, in evidence of its limited; special obligation to repay that borrowing, issue a tax-exempt revenue note, to be designated as the Multifamily Mortgage Revenue Note, 2025 Series A (Homan Square Apartments Phase IV) (the "Note") under the terms and conditions of this Ordinance and the Funding Loan Agreement, and the City will thereafter loan the proceeds of the Funding Loan to the Borrower (the "Borrower Loan") pursuant to a borrower loan agreement (the "Borrower Loan Agreement") between the City and the Borrower, as evidenced by that certain Borrower promissory note (the "Borrower Note"), in order to finance a portion of the cost of the New Project in return for loan payments sufficient to pay, when due, the principal of, prepayment premium, if any, and interest on the Note; and

WHEREAS, The principal of, prepayment premium, if any, and interest payable on the Note will be secured by, among other things, the Borrower Note, a mortgage on the Property and certain other related collateral, by certain capital contributions to be made to the Borrower by its limited partner(s) in connection with the allocation to the Borrower of federal low-income housing tax credits and by pledges and/or assignments of certain funds, personal property, and contractual rights of the Borrower and its affiliates; and

WHEREAS, The Funding Loan and the Note and the obligation to pay interest thereon do not now and shall never constitute an indebtedness of or an obligation of the City, the State of Illinois or any political subdivision thereof, within the purview of any Constitutional limitation or statutory provision, or a charge against the general credit or taxing powers of any of them. No party to the Funding Loan Agreement or holder of the Note shall have the right to compel the taxing power of the City, the State of Illinois or any political subdivision

thereof to pay any principal installment of prepayment premium, if any, or interest on the Note or obligations under the Funding Loan Agreement; and

WHEREAS, In connection with the execution and delivery of the Funding Loan Agreement and the issuance of the Note, the City Council has determined by this Ordinance that it is necessary and in the best interests of the City to enter into: (i) the Funding Loan Agreement, providing for the security for and terms and conditions of the Funding Loan, and the Note to be issued thereunder; (ii) the Borrower Loan Agreement providing for the loan of the proceeds of the Funding Loan to the Borrower and the use of such proceeds; (iii) one or more tax regulatory agreements and/or tax certificates (each, a "Tax Agreement" and collectively, the "Tax Agreements") between the City and the Borrower; and (iv) a Land-Use Restriction Agreement between the City and the Borrower (the "Land-Use Restriction Agreement"); and

WHEREAS, Pursuant to ordinances adopted on February 5, 1998, and published in the *Journal* of such dates at pages 60833 through 60916, inclusive (the "TIF Ordinance"), and as subsequently amended from time to time, the City Council approved and adopted a certain redevelopment plan and project (the "Redevelopment Plan") for a portion of the City known as the Homan-Arthington redevelopment project area (the "Homan-Arthington Redevelopment Area") in accordance with the provisions of the Illinois Tax Increment Allocation Redevelopment Act, as amended, 65 ILCS 5/11-74.4-1, et seq. (the "Act"); and

WHEREAS, Pursuant to ordinances adopted on May 17, 2000, and published in the *Journal* of such dates at pages 30775 through 30925, inclusive, and as subsequently amended from time to time, the City Council approved and adopted a certain redevelopment plan and project for a portion of the City known as the Midwest redevelopment project area (the "Midwest Redevelopment Area") in accordance with the provisions of the Act; and

WHEREAS, The Homan-Arthington Redevelopment Area is either contiguous to, or is separated only by a public right-of-way from, the Midwest Redevelopment Area; and

WHEREAS, The Borrower or, alternatively, the Borrower and its affiliate, Foundation for Homan Square, an Illinois not-for-profit corporation ("FHS") (individually or collectively, the "Developer"') will be obligated to undertake the New Project and the City is willing to have the Developer undertake the New Project in accordance with the terms and conditions of the Redevelopment Plan and a proposed redevelopment agreement (the "Redevelopment Agreement") to be executed by the Developer and the City; and

WHEREAS, The New Project will be financed in part by a grant in an amount not to exceed $10,000,000 funded partly from certain ad valorem taxes ("Incremental Taxes") from the Homan-Arthington Redevelopment Area, which pursuant to Section 5/11-74.4-8(b) of the Act, are deposited into a special tax allocation fund created by the City to pay Redevelopment Project Costs (as defined in Section 5/11-74.4-3(q) of the Act) that are included in the budget set forth in the Redevelopment Plan (the "TIF Fund"), and partly from Incremental Taxes from the Midwest Redevelopment Project Area transferred into the TIF Fund pursuant to the City's transfer rights under Section 5/11-74.4-4(q) of the Act; and

WHEREAS, The New Project is necessary for the redevelopment of the Homan-Arthington Redevelopment Area; and

WHEREAS, Pursuant to Resolution 25-CDC-10 adopted by the Community Development Commission of the City of Chicago (the "Commission") on July 8, 2025, the Commission has recommended that the Developer be designated as the developer for the New Project and that City's Department of Planning and Development be authorized to negotiate, execute, and deliver on behalf of the City a redevelopment agreement with the Developer for the New Project; and

WHEREAS, The Borrower now desires to obtain financing for the New Project from various sources including, but not limited to, the Borrower Loan, all such financing as described in Exhibit A hereto; and

WHEREAS, The City Council has passed that certain ordinance on October 27, 2021 and published in the *Journal* for such date at pages 40213 through 40503, inclusive, authorizing the issuance of bonds to fund the purposes described therein (the "CRP Ordinance"); and

WHEREAS, The City Council has passed that certain ordinance on November 7, 2022 and published in the *Journal* for such date at pages 55618 through 55807, inclusive, authorizing the issuance of bonds to fund the purposes described therein (the "CIP Ordinance"); and

WHEREAS, The City Council has passed that certain ordinance on April 19, 2024 and published in the *Journal* for such date at pages 11493 through 11568, inclusive, authorizing the issuance of bonds to fund the purposes described therein (the "HED Ordinance", and collectively with the CRP Ordinance and the CIP Ordinance, the "Prior Ordinances"); and

WHEREAS, The City Council has determined to clarify certain designation authority provided to each Authorized Officer (as such term is defined in each of the Prior Ordinances) in connection with contracts, grants and loans with respect to proceeds of bonds issued under one or more of the Prior Ordinances; now, therefore,

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

SECTION 1. Incorporation Of Recitals. The recitals contained in the preambles to this Ordinance are hereby incorporated into this Ordinance by this reference. All capitalized terms used in this Ordinance, unless otherwise defined herein, shall have the meanings ascribed thereto in the Funding Loan Agreement or the Redevelopment Agreement, as applicable.

SECTION 2. Findings And Determinations. The City Council hereby grants authority to the Chief Financial Officer of the City (the Chief Financial Officer, being referred to herein as the "CFO") to determine to sell the Note on such terms as and to the extent the CFO determines that such terms are desirable and in the best financial interest of the City. Any

such designation and determination by the CFO shall be signed in writing by the CFO and filed with the City Clerk and shall remain in full force and effect for all purposes of this Ordinance unless and until revoked, such revocation to be signed in writing by the CFO and filed with the City Clerk. As used herein, the term "Chief Financial Officer" shall have the meaning given to such term in Section 1-4-090(k) of the Municipal Code of Chicago (the "Municipal Code").

SECTION 3. Authorization Of The Funding Loan Agreement, The Note, The Borrower Loan Agreement And Related Agreements. Upon the approval and availability of the additional financing as shown in Exhibit A (the "Additional Financing"), the execution and delivery of the Funding Loan Agreement and the issuance of the Note in a principal amount not to exceed $20,000,000 are hereby authorized. The principal amount of the Note to be issued, and its division into one or more series of Notes, if applicable, shall be as set forth in the Funding Loan Notification referred to in Section 6 below.

The Funding Loan Agreement and the Note shall contain a provision that they are executed and delivered under authority of this Ordinance. The maximum term of the Funding Loan shall not exceed 40 years from the date of execution and delivery of the Note. The Note shall bear interest at a rate or rates equal to the rate of interest on the Borrower Loan as provided in the Borrower Loan Agreement (which interest at a rate or rates shall not exceed the lesser of 12.0 percent or the maximum rate of interest allowable under state law and with respect to which the default rate shall not exceed the maximum rate of interest allowable under state law) and shall be as determined by the Authorized Officer (as defined below) and shall be payable on the payment dates set forth in the Funding Loan Agreement and the Funding Loan Notification. The Note shall be dated, shall be subject to prepayment, shall be payable in such places and in such manner and shall have such other details and provisions as prescribed by the Funding Loan Agreement, the form(s) of the Note therein and the Funding Loan Notification. The provisions for execution, signatures, payment and prepayment, with respect to the Funding Loan Agreement and the Note shall be as set forth in the Funding Loan Agreement and the form(s) of the Note therein.

Each of: (i) the Mayor of the City (the "Mayor"); the (ii) Chief Financial Officer; (iii) any other official of the City so designated by a Certificate (as defined below) signed by the Mayor or the Chief Financial Officer; and (iv) the City Clerk with respect to the certification of any ordinance or resolution of the City Council or any other document filed in his or her office (the Mayor, the Chief Financial Officer, the City Clerk or any such other official being referred to as an "Authorized Officer") is hereby authorized to execute by their manual or, in the case of the Note, manual or facsimile signature, and to deliver on behalf of the City, and the City Clerk and the Deputy City Clerk are hereby authorized to attest by their manual or, in the case of the Note, manual or facsimile signature, the Funding Loan Agreement and the Note, in substantially the form attached hereto as Exhibit B and made a part hereof and hereby approved, with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such officer's approval of any changes or revisions from the form of the Funding Loan Agreement and

Note therein attached to this Ordinance and reflecting the terms as determined in the Funding Loan Notification.

"Certificate" as used herein means an instrument of the City in writing signed by an Authorized Officer. Any such instrument in writing and supporting opinions or representations, if any, may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed so as to form a single instrument. Any such instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or representation of counsel, accountants, or engineers, respectively, unless the officer signing such instrument knows that the opinion or representation with respect to the matters upon which such instrument may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel or accountant or other persons, as the case may be, need not certify to all of the matters required to be certified under any provision of the Funding Loan Agreement, but different officers, counsel, accountants or other persons may certify to different facts, respectively.

Each Authorized Officer is hereby authorized to act as an authorized City representative of the City for the purposes provided in the Funding Loan Agreement.

An Authorized Officer is hereby authorized to execute and deliver on behalf of the City, and the City Clerk and the Deputy City Clerk are hereby authorized to attest, the Borrower Loan Agreement in substantially the form attached hereto as Exhibit C, and made a part hereof and hereby approved, with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval of any changes or revisions from the form of the Borrower Loan Agreement and the Borrower Note therein attached to this Ordinance and reflecting the terms as determined in the Funding Loan Notification.

An Authorized Officer is hereby authorized to execute and deliver one or more Land-Use Restriction Agreements on behalf of the City, in substantially the form attached hereto as Exhibit D and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such Authorized Officer's approval of any changes or revisions from the form of the Land-Use Restriction Agreement attached to this Ordinance and reflecting the terms as determined in the Funding Loan Notification.

An Authorized Officer is hereby authorized to execute and deliver and the City Clerk and the Deputy City Clerk are hereby authorized to attest the Tax Agreements on behalf of the City, in substantially the forms of such documents used in previous tax-exempt multi-family housing financings (with appropriate revisions to reflect the terms and provisions of the Funding Loan Agreement and the Note and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder), and with such other revisions in text as the Authorized Officer executing the same shall determine are necessary or desirable in connection with the exclusion from gross income for federal income tax purposes of interest on the Note.

An Authorized Officer is hereby authorized to execute and deliver on behalf of the City such security or collateral documents securing payment of the Note as the Authorized Officer regards as appropriate, in substantially the form of the security documents, used in previous issuances of tax-exempt bonds pursuant to programs similar to the Note, with appropriate revisions to reflect the terms and provisions of the Note and with such other revisions as the Authorized Officer executing the same shall determine are appropriate and consistent with the other provisions of this Ordinance.

SECTION 4. Security For The Funding Loan Agreement And The Note. The obligations of the City under the Funding Loan Agreement and the Note shall be limited obligations of the City, payable solely from and/or secured by a pledge of the following security (other than certain Unassigned Rights of the City):

(a) all right, title and interest of the City in, to and under the Borrower Loan Agreement and the Borrower Note, including, without limitation, all rents, revenues and receipts derived by the City from the Borrower relating to the New Project and including, without limitation, all Pledged Revenues, Borrower Loan Payments and Additional Borrower Payments derived by the City under and pursuant to, and subject to the provisions of, the Borrower Loan Agreement; provided that the pledge and assignment made under the Funding Loan Agreement shall not impair or diminish the obligations of the City under the provisions of the Borrower Loan Agreement;

(b) all right, title and interest of the City in, to and under, together with all rights, remedies, privileges and options pertaining to, the Funding Loan Agreement, and all other payments, revenues and receipts derived by the City under and pursuant to, and subject to the provisions of, the Funding Loan Agreement;

(c) any and all moneys and investments from time to time on deposit in, or forming a part of, all funds and accounts created and held under the Funding Loan Agreement, subject to the provisions of the Funding Loan Agreement permitting the application thereof for the purposes and on the terms and conditions set forth therein;

(d) any and all other real or personal property of every kind and nature or description, which may from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of the Funding Loan Agreement as additional security by the City or anyone on its part or with its consent, or which pursuant to any of the provisions of the Borrower Loan Agreement may come into the possession or control of the Funding Lender or a receiver appointed pursuant to the Funding Loan Agreement;

(e) certain capital contributions to be made to the Borrower by its limited partner(s) in accordance with the terms and conditions of the partnership agreement of the Borrower in connection with the allocation to the Borrower of federal low-income housing tax credits and certain other funds, personal property and contractual rights of the Borrower and its affiliates pledged and/or assigned to the Funding Lender; and

(f) a mortgage and assignment of leases and rents on and security interest in the New Project and related collateral.

In order to secure the payment of the principal of, prepayment premium, if any, and interest on the Note, such rights, proceeds and investment income are hereby pledged to the extent and for the purposes as provided in the Funding Loan Agreement and are hereby appropriated for the purposes set forth in the Funding Loan Agreement. Nothing contained in this Ordinance shall limit or restrict the subordination of the pledge of such rights, proceeds and investment income as set forth in the Funding Loan Agreement to the payment of any other obligations of the City enjoying a lien or claim on such rights, proceeds and investment income as of the date of execution and delivery of the Funding Loan Agreement and the Note, all as shall be determined by the Authorized Officer at the time of the execution and delivery of the Funding Loan Agreement and the Note. The Funding Loan Agreement shall set forth such covenants with respect to the application of such rights, proceeds and investment income as shall be deemed necessary by the Authorized Officer in connection with the execution and delivery of the Funding Loan Agreement and the Note.

SECTION 5. Delivery Of The Funding Loan Agreement Sale And Delivery Of Note. Subject to the terms and conditions of the Funding Loan Agreement and such additional terms as are set forth in the Funding Loan Notification with the approval of an Authorized Officer, the Note shall be sold and delivered to the Construction Funding Lender, with the understanding that upon completion of construction and satisfaction of other conditions, the Note shall be sold by the Construction Funding Lender to the Permanent Funding Lender, or such other funding lender as approved by an Authorized Officer. The Permanent Funding Lender, or such other funding lender approved by an Authorized Officer, shall hold the Note, subject to the terms and conditions of the required transferee representations (the "Required Transferee Representations") which shall be delivered to the City by both the Construction Funding Lender and the Permanent Funding Lender and any other funding lender. Any subsequent funding lender approved by an Authorized Officer, to the extent required under the Funding Loan Agreement, may succeed the Funding Lender as the registered holder of all or a portion of the Funding Loan, but only if such subsequent funding lender executes and delivers to the City the Required Transferee Representations, substantially in the form of the Required Transferee Representations set forth in the Funding Loan Agreement. The aggregate costs of origination of the Funding Loan paid from the proceeds of the Funding Loan to the Funding Lender shall not exceed one and one-half percent (1.5%) of the principal amount of the Note.

SECTION 6. Funding Loan Notification. Subsequent to the execution and delivery of the Funding Loan Agreement and the sale of the Note, the Authorized Officer shall file in the Office of the City Clerk a Funding Loan Notification for the Funding Loan Agreement and the Note directed to the City Council setting forth: (i) the original principal amount of, maturity schedule, redemption provisions for and nature of the Note sold; (ii) the extent of any tender rights to be granted to the holders of the Note; (iii) the interest rates on the Note and/or a description of the method of determining the interest rates applicable to the Note from time to time; (iv) the origination fee or other compensation paid to the Funding Lender in

connection with the origination of the Funding Loan and issuance of the Note; and (v) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of the Note ("Funding Loan Notification"). There shall be attached to such notification the final form of the Funding Loan Agreement, a specimen of the Note and the final form of the Borrower Loan Agreement.

SECTION 7. Limited Obligations. The Note, when issued and outstanding, will be a limited obligation of the City, payable solely as provided in the Funding Loan Agreement. The Note and the interest thereon shall never constitute a debt or general obligation or a pledge of the faith, the credit or the taxing power of the City within the meaning of any Constitutional or statutory provision of the State of Illinois. The Note shall be payable solely from the funds pledged therefor pursuant to the terms of the Funding Loan Agreement herein described.

SECTION 8. Use Of Proceeds. The proceeds from the Funding Loan (as evidenced by the sale of the Note) shall be deposited as provided in the Funding Loan Agreement and used for the New Project.

SECTION 9. Volume Cap. The Funding Loan Agreement and the Note are obligations taken into account under Section 146 of the Code in the allocation of the City's volume cap.

SECTION 10. Developer Designation. The Developer is hereby designated as the developer for the New Project pursuant to Section 5/11-74.4-4 of the Act.

SECTION 11. Third Restructuring. The Third Restructuring is hereby approved as described above. The City's Commissioner of Housing (the "DOH Commissioner") or a designee of the DOH Commissioner (each, an "Authorized DOH Officer"), are each hereby authorized, subject to approval by the Corporation Counsel, to negotiate any and all terms and provisions in accordance with the Third Restructuring which do not substantially modify the Material Terms described herein. Each Authorized DOH Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable, in connection with the implementation of the Third Restructuring. Each Authorized DOH Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable, in connection with any future restructuring of the City Loan that does not substantially modify the Material Terms.

SECTION 12. Redevelopment Agreement. Upon the approval and availability of the Additional Financing, the Authorized DPD Officer (as defined below) is hereby authorized, with the approval of the Corporation Counsel, to negotiate, execute and deliver the Redevelopment Agreement and such other supporting documents as may be necessary to carry out and comply with the provisions of such agreements, with such changes, deletions and insertions as shall be approved by the persons executing such agreements. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit E and made a part hereof and hereby approved with such changes therein as shall be

approved by the Authorized DPD Officer executing the same, with such execution to constitute conclusive evidence of such officer's approval of any changes or revisions from the form of Redevelopment Agreement attached to this Ordinance.

SECTION 13. Payment Of Incremental Taxes. The City Council hereby finds that the City is authorized to pay an aggregate amount not to exceed $10,000,000 ("City Funds") from Homan-Arthington Redevelopment Area Incremental Taxes and Midwest Redevelopment Area Incremental Taxes deposited and/or transferred into the general account of the TIF Fund to the Developer to finance a portion of the eligible costs included within the Project. The proceeds of the City Funds are hereby appropriated for the purposes set forth in this section.

SECTION 14. Maintenance And Use Of TIF Fund. Pursuant to the TIF Ordinance, the City has created the TIF Fund. The Chief Financial Officer (or his or her designee) is hereby directed to maintain the TIF Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Homan-Arthington Redevelopment Area shall be deposited into the TIF Fund. The City shall use the funds in the TIF Fund to make payments pursuant to the terms of the Redevelopment Agreement.

SECTION 15. Proxies. Each Authorized Officer may designate another to act as their respective proxy and to affix their respective signatures to the Note, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by such Authorized Officer pursuant to this Ordinance or the Funding Loan Agreement. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for such Authorized Officer, respectively. A written signature of the Authorized Officer, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the *Journal* and filed with the City Clerk. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Authorized Officer in person.

SECTION 16. Additional Authorization. Each Authorized Officer, the City Treasurer, and, upon the approval and availability of the Additional Financing, the Authorized DOH Officer and the City's Commissioner of Planning and Development or a designee thereof (the "Authorized DPD Officer") are each hereby authorized to execute and deliver and the City Clerk and the Deputy City Clerk are each hereby authorized to enter into, execute and deliver such other documents and agreements, including, without limitation, any documents necessary to evidence the receipt or assignment of any collateral for the Funding Loan Agreement and the Note, the Borrower Loan Agreement or the Borrower Note from the Borrower, and perform such other acts as may be necessary or desirable in connection with the City Agreements (as defined in Section 21 hereof), including, but not limited to, the exercise following the delivery date of the City Agreements of any power or authority

delegated to such official under this Ordinance with respect to the City Agreements upon original execution and delivery, but subject to any limitations on or restrictions of such power or authority as herein set forth. Notwithstanding anything contained herein (including but not limited to Section 3 hereof), if any portion of the Additional Financing is not approved and available at such time as an Authorized Officer, the Authorized DPD Officer and the Authorized DOH Officer otherwise deem it in the best interest of the City to execute the City Agreements, for which such officers are authorized to execute under this Ordinance, then such Authorized Officer, the Authorized DPD Officer and the Authorized DOH Officer may so execute the applicable City Agreements (with such changes thereto as such Authorized Officer, the Authorized DPD Officer and the Authorized DOH Officer deem necessary and advisable) and any necessary ancillary documents and may impose such conditions upon the approval and availability of such Additional Financing as they deem necessary and advisable.

SECTION 17. Public Hearing. This City Council hereby directs that the Note shall not be issued unless and until the requirements of Section 147(f) of the Code, including particularly the approval requirement following any required public hearing, have been fully satisfied, and that no contract, agreement or commitment to issue the Note shall be executed or undertaken prior to satisfaction of the requirements of said Section 147(f) unless the performance of said contract, agreement or commitment is expressly conditioned upon the prior satisfaction of such requirements. To the extent that such requirements are satisfied prior to the date of this Ordinance, this Ordinance shall constitute formal approval thereof. All such actions taken prior to the enactment of this Ordinance are hereby ratified and confirmed.

SECTION 18. Severability. If any provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 19. Administrative Fee. DOH is hereby authorized to charge an administrative fee or fees in connection with the delivery and administration of the Funding Loan Agreement and the Note, which shall be collected under such terms and conditions as determined by the Authorized DOH Officer and which shall be in an amount as determined by the Authorized DOH Officer but not to exceed the maximum amount permitted under Section 148 of the Code to avoid characterization of the Funding Loan Agreement and the Note as "arbitrage bonds" as defined in such Section 148. Such administrative fee or fees shall be used by DOH for administrative expenses and other housing activities. Initially, such administrative fee or fees shall be an amount equal to (i) 1.5 percent of the original principal amount of the Note payable upon issuance of the Note, plus (ii) an on-going compliance fee of $25 per unit payable annually.

SECTION 20. Reserve For Legal Expenses. The City is authorized to assess a legal reserve fee with respect to the New Project, payable upon issuance of the Note from the proceeds of the Note or from funds contributed by the Borrower, which shall be in an amount

equal to 0.10 percent of the original principal amount of the Note. Such fee shall be used by the City to pay legal costs or other expenses in connection with the New Project, the Note, or other City issuances.

SECTION 21. No Recourse. No recourse shall be had for the payment of the principal of, prepayment premium, if any, or interest on the Note or for any claim based thereon or upon any obligation, covenant or agreement contained in this Ordinance, the Funding Loan Agreement, the Note, the Borrower Loan Agreement, the Land-Use Restriction Agreement, the Tax Agreement, or the Redevelopment Agreement (collectively, the "City Agreements") against any past, present or future officer, member or employee of the City, or any officer, employee, director or trustee of any successor, as such, either directly or through the City, or any such successor, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such member, officer, employee, director or trustee as such is hereby expressly waived and released as a condition of and consideration for the execution of the City Agreements and the issuance of the Note.

SECTION 22. No Impairment. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall be controlling. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder or to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the holders of the Funding Loan and the Note to receive payment of the principal of, prepayment premium, if any, or interest on the Note or to impair the security for the Funding Loan Agreement and the Note; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

*SECTION 22. Affordable Housing. The New Project (as described on Exhibit A hereto) shall be deemed to qualify as "Affordable Housing" for purposes of Chapter 16-18 of the Municipal Code.

SECTION 23. Special Exceptions. In order to ensure clarity in the applicable affordability restrictions, the requirements of Sections 2-44-080 through 2-44-105, inclusive, of the Municipal Code shall not apply to multi-family housing projects: (i) which receive loans or grants from the City (including from bond proceeds, funds from grants received by the City or corporate funds, but excluding loans and grants funded solely by revenues from the Affordable Housing Opportunity Fund as described in Section 2-44-085(1) of the Municipal Code), and/or which are eligible for tax credits administered by the City in

* Editor's Note: Numbering sequence error in original document.

connection with Section 42 of the Internal Revenue Code of 1986, as amended, or 20 ILCS 3805/7.28; and (ii) for which the applicable loan, grant and/or tax credit documents have not been executed and delivered by the City as of the effective date of this Ordinance.

SECTION 24. Economic Disclosure Statements. Notwithstanding anything to the contrary contained in the Municipal Code or any other ordinance or mayoral executive order, the Current Owner shall not be required to provide to the City the document commonly known as the "Economic Disclosure Statement and Affidavit" (or any successor to such document) in connection with the Third Restructuring.

**SECTION 24. Declaration Of Official Intent. In accordance with Section 1.150-2 of the Treasury Regulations promulgated under the Code, the Mayor, the Chief Financial Officer and the City Comptroller are each hereby authorized to declare official intent of the City to reimburse prior expenditures made by the City from its corporate funds, special revenue funds or other funds available to the City (not including proceeds of tax-exempt bonds issued by the City) with (i) proceeds of tax-exempt bonds issued by the City under one or more of the Prior Ordinances or (ii) the proceeds of a tax-exempt draw on a general obligation line of credit borrowing by the City (authorized under that certain ordinance adopted on May 1, 2002 by the City Council), to then be reimbursed with proceeds of tax-exempt bonds issued by the City under one or more of the Prior Ordinances.

SECTION 25. Amendment To CRP Ordinance. The third and fourth sentences of Section 3.20(I) of the CRP Ordinance are deleted in their entirety, and the following text is inserted in their place:

With respect to each grant or loan of Recovery Bond proceeds or contract for goods, work and/or services paid from Recovery Bond proceeds, each Authorized Officer is authorized to designate in writing, with the written concurrence of the Budget Director of the City (the "Budget Director"), (i) one or more City departments or agencies to administer such grant or loan of Recovery Bond proceeds or contract for goods, work and/or services paid from Recovery Bond proceeds, and/or (ii) the head of the City department or agency who shall be authorized to execute a grant or loan agreement or contract for goods, work and/or services paid from Recovery Bond proceeds and such other documents, agreements or instruments as shall be deemed necessary or desirable by such City department or agency head. Upon any such written designation by an Authorized Officer pursuant to subsection (i) above, such City department or agency shall be authorized to administer such grant or loan of Recovery Bond proceeds or contract for goods, work and/or services paid from Recovery Bond proceeds. Upon any such written designation by an Authorized Officer pursuant to subsection (ii) above, the head of such City department or agency shall be authorized to execute a grant agreement, loan agreement or contract for goods, work and/or services, as applicable, and such other documents,

** Editor's Note: Numbering sequence error in original document.

agreements or instruments as such City department or agency head shall deem necessary or desirable. The designations in subsections (i) and (ii) may be effected in the same document.

SECTION 26. Amendment To CIP Ordinance. The third and fourth sentences of Section 2.20(I) of the CIP Ordinance are deleted in their entirety, and the following text is inserted in their place:

With respect to each grant or loan of Authorized Funds or with respect to each contract for goods, work and/or services paid from Authorized Funds, each Authorized Officer is authorized to designate in writing, with the written concurrence of the Budget Director of the City (the 'Budget Director"), (i) one or more City departments or agencies to administer such grant or loan of Authorized Funds or contract for goods, work and/or services paid from Authorized Funds, and/or (ii) the head of the City department or agency who shall be authorized to execute a grant or loan agreement or contract for goods, work and/or services paid from Authorized Funds and such other documents, agreements or instruments as shall be deemed necessary or desirable by such City department or agency head. Upon any such written designation by an Authorized Officer pursuant to subsection (i) above, such City department or agency shall be authorized to administer such grant or loan of Authorized Funds or contract for goods, work and/or services paid from Authorized Funds. Upon any such written designation by an Authorized Officer pursuant to subsection (ii) above, the head of such City department or agency shall be authorized to execute a grant agreement, loan agreement or contract for goods, work and/or services, as applicable, and such other documents, agreements or instruments as such head of the City department or agency shall deem necessary or desirable. The designations in subsections (i) and (ii) may be effected in the same document.

SECTION 27. Amendment To HED Ordinance. The third and fourth sentences of Section 2.18(I) of the HED Ordinance are deleted in their entirety, and the following text is inserted in their place:

With respect to each grant or loan of Authorized Funds or with respect to each contract for goods, work and/or services paid from Authorized Funds, each Authorized Officer is authorized to designate in writing, with the written concurrence of the Budget Director of the City (the "Budget Director"), (i) one or more City departments or agencies to administer such grant or loan of Authorized Funds or contract for goods, work and/or services paid from Authorized Funds, and/or (ii) the head of the City department or agency who shall be authorized to execute a grant or loan agreement or contract for goods, work and/or services paid from Authorized Funds and such other documents, agreements or instruments as shall be deemed necessary or desirable by such City department or agency head. Upon any such written designation by an Authorized Officer pursuant to

subsection (i) above, such City department or agency shall be authorized to administer such grant or loan of Authorized Funds or contract for goods, work and/or services paid from Authorized Funds. Upon any such written designation by an Authorized Officer pursuant to subsection (ii) above, the head of such City department or agency shall be authorized to execute a grant agreement, loan agreement or contract for goods, work and/or services, as applicable, and such other documents, agreements or instruments as such head of the City department or agency shall deem necessary or desirable. The designations in subsections (i) and (ii) may be effected in the same document.

SECTION 28. Effective Date. This Ordinance shall take effect upon its passage and approval.

Exhibits "A", "B", "C", "D", "E" and "F" referred to in this Ordinance read as follows:

Exhibit "A".
(To Ordinance)

Funding.

Borrower:	Homan Square Apartments Phase IV Holder, L.P., an Illinois limited partnership, the general partner of which is Homan Square Apartments Phase IV LLC, an Illinois limited liability company, the manager of which is Homan Phase IV Manager LLC, an Illinois limited liability company, the sole member and manager of which is Foundation for Homan Square, an Illinois not-for-profit corporation.
New Project:	Acquisition and rehabilitation of six residential facilities and related common facilities for low-income individuals containing approximately 107 residential rental apartment units (together with related common areas along with parking lot facilities, the "New Project").

Additional Financing:

1. The Note: as described in the Funding Loan Agreement. The Note Will be secured as described in the Funding Loan Agreement, including by a senior mortgage.

2. Existing City HOME Loan:

Amount: Not to exceed $5,235,025, or such amount as may be acceptable to the Authorized DOH Officer.

Term: Approximately 30 years plus construction period, or another term acceptable to the Authorized DOH Officer.

Source: Multi-Family Program Funds loaned by the City.

Interest: Not less than the applicable federal rate, compounding, at the time of transfer of the New Project, or such interest rate as may be acceptable to the Authorized DOH Officer.

Security: Mortgage on the New Project and/or such other security acceptable to the Authorized DOH Officer. Such mortgage and/or other security shall be junior to the Note Mortgage and any Swap Mortgage (as defined below). If an interest rate swap arrangement is entered into: (i) between the Borrower and the Permanent Lender, a mortgage senior to the Mortgage on the New Project in favor of the Permanent Lender to secure Borrower's obligations may be required; and/or (ii) between the Borrower and the Construction Funding Lender, a mortgage senior to the Mortgage on the New Project in favor of a party through which the interest rate swap is obtained to secure Borrower's obligations may. be required (each individually, a "Swap Mortgage").

3. TIF Proceeds Loan/TIF Capital Contribution:

Amount: Approximately $10,000,000, or such amount as may be acceptable to the Authorized DOH Officer.

Source: From proceeds of the Redevelopment Agreement.

Term: To the extent any portion is structured as a loan, approximately 30 years plus construction period, or another term acceptable to the Authorized DOH Officer.

Interest: To the extent any portion is structured as a loan, 0 percent, or such other interest rate acceptable to the Authorized DOH Officer.

Security: Mortgage on the New Project and/or such other security acceptable to the Authorized DOH Officer, Such mortgage and/or other security shall be junior to the Note Mortgage, the Swap Mortgage, the Existing City HOME Loan, and any mortgage securing the City Funds.

Alternate Structure: FHS may use all or part of the approximately $10,000,000 amount to make a capital contribution to the General Partner, and then the General Partner may use such funds to make a capital contribution to the Borrower.

4. Low-Income Housing Tax Credit ("LIHTC") Proceeds:

Amount: Approximately $11,798,480, or such amount as may be acceptable to the Authorized DOH Officer, all or a portion of which may be paid in on a delayed basis, and all or a portion of which will be applied to the payment of a portion of the Note upon the completion of the New Project.

Source: To be derived from the syndication of the LIHTCs generated by the issuance of the Note.

5. General Partner Capital Contribution:

Amount: Approximately $4,000,000 or such other amount as may be acceptable to the Authorized DOH Officer.

Source: General Partner.

6. Deferred Developer Fee:

Amount: $367,881 or such other amount as may be acceptable to the Authorized DOH Officer.

Source: Developer Fee.

Exhibit "B.
(To Ordinance)

Funding Loan Agreement.

This Funding Loan Agreement, dated as of _____ 1, 2025 (this "**Funding Loan Agreement**"), is entered into by **BMO BANK N.A.,** as Construction Funding Lender (the "**Construction Funding Lender**"), and **CEDAR RAPIDS BANK & TRUST COMPANY,** as Permanent Funding Lender (the "**Permanent Funding Lender**" and, together with the Construction Funding Lender and any successor thereto, the "**Funding Lender**") and **CITY OF CHICAGO**, a municipality and home rule unit of local government duly organized and validly existing under the constitution and laws of the State of Illinois (together with its successors and assigns, the "**Governmental Lender**").

RECITALS

WHEREAS, the Governmental Lender has been duly created and organized pursuant to and in accordance with the provisions of Article VII, Section 6(a) of the 1970 Constitution of the State Illinois, is a home rule unit of local government and as such may provide a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Governmental Lender is authorized: (a) to make loans to any person to provide financing for rental residential developments located within the jurisdiction of the Governmental Lender and intended to be occupied in part by persons of low and moderate income, as determined by the Governmental Lender; (b) to incur indebtedness for the purpose of obtaining moneys to make such loans and provide such financing, to establish any required reserve funds and to pay administrative costs and other costs incurred in connection with the incurrence of such indebtedness of the Governmental Lender; and (c) to pledge all or any part of the revenues, receipts or resources of the Governmental Lender, including the revenues and receipts to be received by the Governmental Lender from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Governmental Lender in order to secure the payment of the principal of, prepayment premium, if any, on and interest on such indebtedness of the Governmental Lender; and

WHEREAS, Homan Square Apartments Phase IV Holder, LP, an Illinois limited partnership (the "**Borrower**"), has requested the Governmental Lender to enter into this Funding Loan Agreement under which (i) the Construction Funding Lender will advance funds (the "**Funding Loan**") to or for the account of the Governmental Lender, and (ii) the Governmental Lender will apply the proceeds of the Funding Loan to make a loan (the "**Borrower Loan**") to the Borrower to finance the acquisition, rehabilitation, development, and equipping of six low- and moderate-income residential facilities and related facilities, located at 3645, 3621 and 3607 West Polk Street, 906 and 908 South Central Park Avenue, and 921 South Lawndale Avenue in the City of Chicago, (together, the "**Project**"); and

WHEREAS, simultaneously with the delivery of this Funding Loan Agreement, the Governmental Lender and the Borrower will enter into a Borrower Loan Agreement of even date herewith (as it may be supplemented or amended, the "**Borrower Loan Agreement**"), whereby the Borrower agrees to make loan payments to the Governmental Lender in an amount which, when added to other funds available under this Funding Loan Agreement, will be sufficient to enable the Governmental Lender to repay the Funding Loan and to pay all costs and expenses related thereto when due; and

WHEREAS, to evidence its payment obligations under the Borrower Loan Agreement, the Borrower will execute and deliver to the Governmental Lender its Borrower Note as defined in the Borrower Loan Agreement (the "**Borrower Note**"), which Borrower Note may be amended, restated, modified or replaced at Conversion (as defined below) and the obligations of the Borrower under the Borrower Note will be secured by a lien on and security interest in the Project pursuant to one or more

Mortgage, Security Agreement, Fixture Filing and Assignment of Leases and Rents of even date herewith (collectively, the "**Security Instruments**"), which Security Instrument may be amended, restated, modified or replaced at Conversion, made by the Borrower in favor of the Governmental Lender, as such document may be modified, supplemented or amended, as assigned to the Funding Lender to secure the performance by the Governmental Lender of its obligations under the Funding Loan; and

WHEREAS, the Governmental Lender has executed and delivered to the Funding Lender its not to exceed $19,000,000 City of Chicago Multifamily Mortgage Revenue Note, 2025 Series A (Homan Square Apartments Phase IV) (the "**Governmental Lender Note**"), dated as of the Closing Date (defined below) evidencing its obligation to make the payments due to the Funding Lender under the Funding Loan as provided in this Funding Loan Agreement, all things necessary to make the Funding Loan Agreement the valid, binding and legal limited obligation of the Governmental Lender, have been done and performed and the execution and delivery of this Funding Loan Agreement and the execution and delivery of the Governmental Lender Note, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1. Definitions. For all purposes of this Funding Loan Agreement, except as otherwise expressly provided or unless the context otherwise clearly requires:

Unless specifically defined herein, all capitalized terms shall have the meanings ascribed thereto in the Borrower Loan Agreement.

The terms "herein, "hereof" and "hereunder" and other words of similar import refer to this Funding Loan Agreement as a whole and not to any particular Article, Section or other subdivision. The terms "agree" and "agreements" contained herein are intended to include and mean "covenant" and "covenants."

All references made (i) in the neuter, masculine or feminine gender shall be deemed to have been made in all such genders, and (ii) in the singular or plural number shall be deemed to have been made, respectively, in the plural or singular number as well. Singular terms shall include the plural as well as the singular, and vice versa.

All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with the Approved Accounting Method. All references herein to "Approved Accounting Method" refer to such principles as they exist at the date of application thereof.

All references in this instrument to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

References to the Governmental Lender Note as "tax-exempt" or to the "tax-exempt status" of the Governmental Lender Note are to the exclusion of interest payable on the Governmental Lender Note

(other than any portion of the Governmental Lender Note held by a "substantial user" of the Project or a "related person" (within the meaning of Section 147 of the Code) thereto) from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

The following terms have the meanings set forth below:

"**Additional Borrower Payments**" shall have the meaning given such term in the Borrower Loan Agreement.

"**Affiliate**" shall mean, as to any Person, any other Person that, directly or indirectly, is in Control of, is Controlled by or is under common Control with such Person.

"**Approved Transferee**" means (1) the Permanent Funding Lender, (2) a "qualified institutional buyer" ("QIB") as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof (the "Securities Act") that is a financial institution or commercial bank having capital and surplus of $5,000,000,000 or more, (3) an affiliate of the Funding Lender, or (4) a trust or custodial arrangement established by the Funding Lender or one of its affiliates the beneficial interests in which will be owned only by QIBs."

Authorized Amount" shall mean an amount not to exceed $19,000,000, the maximum aggregate principal amount of the Funding Loan under this Funding Loan Agreement.

"**Authorized City Representative**" shall have the meaning as set forth for the term "Authorized Officer" in the Ordinance.

"**Borrower**" shall mean Homan Square Apartments Phase IV Holder, LP, an Illinois limited partnership.

"**Borrower Controlling Entity**" shall mean, if the Borrower is a partnership, any general partner or managing partner of the Borrower, or if the Borrower is a limited liability company, the manager or managing member of the Borrower.

"**Borrower Loan**" shall mean the mortgage loan made by the Governmental Lender to the Borrower pursuant to the Borrower Loan Agreement in the aggregate principal amount of the Borrower Loan Amount, as evidenced by the Borrower Note.

"**Borrower Loan Agreement**" shall mean the Borrower Loan Agreement, of even date herewith, between the Governmental Lender and the Borrower, as agreed to and acknowledged by Construction Funding Lender and Permanent Funding Lender, as supplemented, amended or replaced from time to time in accordance with its terms.

"**Borrower Loan Agreement Default**" shall mean any event of default set forth in Section 8.1 of the Borrower Loan Agreement. A Borrower Loan Agreement Default shall "exist" if a Borrower Loan Agreement Default shall have occurred and be continuing beyond any applicable notice and cure period.

"**Borrower Loan Amount**" shall mean an amount not to exceed $19,000,000.

"**Borrower Loan Documents**" shall have the meaning given such term in the Borrower Loan Agreement.

"**Borrower Note**" shall mean the "Borrower Note" as defined in the Borrower Loan Agreement.

"**Business Day**" shall mean any day other than (i) a Saturday or a Sunday, or (ii) a day on which federally insured depository institutions in New York, New York, Chicago, Illinois or the cities in which the offices of the Funding Lender are located are authorized or obligated by law, regulation, governmental decree or executive order to be closed.

"**Closing Date**" shall mean _____, 2025, the date that initial Funding Loan proceeds are disbursed hereunder.

"**Code**" shall mean the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"**Construction Escrow Agreement**" shall mean that certain [Construction Escrow Agreement], dated _____, 2025, among the Title Company named therein, in its capacity as escrow agent, Governmental Lender, the Construction Funding Lender, certain subordinate lenders named therein, and Borrower, as such agreement may be amended, modified, supplemented and replaced from time to time.

"**Construction Funding Agreement**" shall mean that certain Construction Funding Agreement of even date herewith, between the Construction Funding Lender, as agent for the Governmental Lender, and Borrower, pursuant to which the Borrower Loan will be advanced by the Construction Funding Lender (or the Servicer on its behalf), as agent of the Governmental Lender, to the Borrower and setting forth certain provisions relating to disbursement of the Borrower Loan during rehabilitation, construction, insurance and other matters, as such agreement may be amended, modified, supplemented and replaced from time to time.

"**Construction Funding Lender**" shall mean BMO Bank N.A. and any successor under this Funding Loan Agreement and the Borrower Loan Documents.

"**Contingency Draw-Down Agreement**" shall mean the Contingency Draw-Down Agreement of even date herewith between the Funding Lender and the Borrower relating to possible conversion of the Funding Loan from a draw-down loan to a fully funded loan.

"**Control**" shall mean, with respect to any Person, either (i) ownership directly or through other entities of more than 50% of all beneficial equity interest in such Person, or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, through the ownership of voting securities, by contract or otherwise.

"**Conversion**" shall mean the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender in accordance with the Forward Bond Purchase Agreement.

"**Conversion Conditions**" shall have the meaning given such term in the Forward Bond Purchase Agreement.

"**Draw-Down Notice**" shall mean a notice described in Section [1.01] of the Contingency Draw-Down Agreement regarding the conversion of the Funding Loan from a draw down loan to a fully funded loan.

"**Event of Default**" shall have the meaning ascribed thereto in Section 9.1 hereof.

"**Fitch**" shall mean Fitch, Inc.

"**Forward Bond Purchase Agreement**" shall mean the Forward Loan Purchase Agreement by and among the Construction Funding Lender, the Permanent Funding Lender and Borrower pursuant to which the Permanent Funding Lender shall acquire the outstanding principal amount of the Governmental Lender Note under certain circumstances following Construction of the Project and subject to the requirements set forth therein.

"**Funding Lender**" shall mean the Construction Funding Lender until Conversion and the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note to the Permanent Funding Lender pursuant to the Forward Bond Purchase Agreement, and from and after Conversion, shall mean the Permanent Funding Lender.

"**Funding Loan Agreement**" shall mean this Funding Loan Agreement, by and between the Funding Lender and the Governmental Lender, as it may from time to time be supplemented, modified or amended by one or more indentures or other instruments supplemental thereto entered into pursuant to the applicable provisions thereof.

"**Funding Loan Documents**" shall mean (i) this Funding Loan Agreement, (ii) the Borrower Loan Agreement, (iii) the Regulatory Agreement, (iv) the Tax Compliance Agreement, (v) the Borrower Loan Documents, (vi) all other documents evidencing, securing, governing or otherwise pertaining to the Funding Loan, and (vii) all amendments, modifications, renewals and substitutions of any of the foregoing.

"**Government Obligations**" shall mean noncallable, nonprepayable (i) direct, general obligations of the United States of America, or (ii) any obligations unconditionally guaranteed as to the full and timely payment of all amounts due thereunder by the full faith and credit of the United States of America (including obligations held in book entry form), but specifically excluding any mutual funds or unit investment trusts invested in such obligations.

"**Governmental Lender**" shall mean the City of Chicago, a municipality and home rule unit of local government duly organized and validly existing under the constitution and laws of the State of Illinois, together with its successors and assigns.

"**Governmental Lender Note**" shall mean the Governmental Lender Note described in the recitals of this Funding Loan Agreement.

"**Highest Rating Category**" shall mean, with respect to a Permitted Investment, that the Permitted Investment is rated by each Rating Agency in the highest rating category given by that Rating Agency for that general category of security. If at any time the Governmental Lender Note is not rated (and, consequently, there is no Rating Agency), then the term "Highest Rating Category" means, with respect to a Permitted Investment, that the Permitted Investment is rated by S&P or Moody's in the highest rating given by that rating agency for that general category of security. By way of example, the Highest Rating Category for tax-exempt municipal debt established by S&P is "A 1+" for debt with a term of one year or less and "AAA" for a term greater than one year, with corresponding ratings by Moody's of "MIG 1" (for fixed rate) or "VMIG 1" (for variable rate) for three months or less and "Aaa" for greater than three months. If at any time (i) the Governmental Lender Note is not rated, (ii) both S&P and Moody's rate a Permitted Investment and (iii) one of those ratings is below the Highest Rating Category, then such Permitted Investment will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency. For example, a Permitted Investment rated "AAA" by S&P and "Aa3" by Moody's is

rated in the Highest Rating Category. If, however, the lower rating is more than one full rating category below the Highest Rating Category of that rating agency, then the Permitted Investment will be deemed to be rated below the Highest Rating Category. For example, a Permitted Investment rated "AAA" by S&P and "A1" by Moody's is not rated in the Highest Rating Category.

"**Limited Partner**" shall man Red Stone Equity Holding, LLC, a Delaware limited liability company.

"**Inducement Ordinance**" shall mean the Inducement Ordinance adopted by the Governmental Lender on _____, 2025 with respect to the Project.

"**Material Funding Lender Event**" shall mean the occurrence and continuation of one or more of the following:

(a) Prior to the advancement by the Funding Lender of the entire amount of the Funding Loan, (i) a petition has been filed and is pending against the Funding Lender under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, and has not been dismissed within 90 days after such filing; (ii) the Funding Lender has filed a petition, which is pending, under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or has consented in writing to the filing of any petition against it under such law; or (iii) an order, judgment or decree is entered by any court of competent jurisdiction on the application of a creditor appointing a receiver, liquidator or trustee appointed for it or for the whole or substantially all of its property and has not been dismissed within 90 days after filing. The occurrence of a Material Funding Lender Event under this subsection (a) and the exercise of remedies upon any such declaration shall be subject to any applicable limitations of federal bankruptcy law affecting or precluding such declaration or exercise during the pendency of or immediately following any bankruptcy, liquidation or reorganization proceedings;

(b) Prior to the advancement by the Funding Lender of the entire amount of the Funding Loan (i) this Funding Loan Agreement or the Construction Funding Agreement is declared by a non-appealable order of a court of competent jurisdiction to be null and void; (ii) the Funding Lender has in writing rescinded, repudiated or terminated the Funding Loan Agreement or the Construction Funding Agreement; or (iii) the Funding Lender is dissolved or confiscated by action of government due to war or peace time emergency or the United States government declares a moratorium on the Funding Lender's activities.

"**Maturity Date**" shall mean, with respect to the Governmental Lender Note, _____ 1, 204___.

"**Maximum Rate**" shall mean (a) with respect to the Interest Rate (as defined in the Borrower Loan Agreement), the lesser of (i) 12% per annum and (ii) the maximum interest rate that may be paid on the Funding Loan under State law and (b) with respect to the Default Rate (as defined in the Borrower Loan Agreement), the maximum interest rate that may be paid on the Funding Loan under State law.

"**Minimum Beneficial Ownership Amount**" shall mean an amount no less than fifteen percent (15%) of the outstanding principal amount of the Funding Loan.

"**Moody's**" shall mean Moody's Investors Service, Inc., or its successor.

"**Noteowner**" or **"owner of the Governmental Lender Note"** mean the owner, or as applicable, collectively the owners, of the Governmental Lender Note as shown on the registration books maintained by the Funding Lender pursuant to Section 2.4(d).

"**Negative Arbitrage Deposit**" has the meaning set forth in the Contingency Draw-Down Agreement.

"**Ongoing Governmental Lender Fee**" shall mean (i) the bond issuer closing fee of $_____ due at closing, a $_____ LIHTC issuer fee due at closing, $_____ due at closing for bond legal reserve fee, and (ii) the semi-annual fee of the Governmental Lender in the amount of 15 (.0015) basis points of the total outstanding bond amount, accruing monthly but paid semiannually. The fee due on a semi-annual basis and is payable by the Borrower to the Governmental Lender on each _____ and _____ 1, commencing on the Closing Date so long as any parties of the Funding Loan is outstanding.

"**Opinion of Counsel**" shall mean a written opinion from an attorney or firm of attorneys, acceptable to the Funding Lender and the Governmental Lender with experience in the matters to be covered in the opinion; provided that whenever an Opinion of Counsel is required to address the exclusion of interest on the Governmental Lender Note from gross income for purposes of federal income taxation, such opinion shall be provided by Tax Counsel.

"**Ordinance**" shall mean the Ordinance adopted by the Governmental Lender on _____ 20, 2025, authorizing the Funding Loan and the execution and delivery of the Funding Loan Documents to which Governmental Lender is a party.

"**Permanent Funding Lender**" shall mean Cedar Rapids Bank & Trust Company.

"**Permitted Investments**" shall mean, to the extent authorized by law for investment of any moneys held under this Funding Loan Agreement:

(a) Government Obligations.

(b) Direct obligations of, and obligations on which the full and timely payment of principal and interest is unconditionally guaranteed by, any agency or instrumentality of the United States of America (other than the Federal Home Loan Mortgage Corporation) or direct obligations of the World Bank, which obligations are rated in the Highest Rating Category.

(c) Obligations, in each case rated in the Highest Rating Category, of (i) any state or territory of the United States of America, (ii) any agency, instrumentality, authority or political subdivision of a state or territory or (iii) any public benefit or municipal corporation the principal of and interest on which are guaranteed by such state or political subdivision.

(d) Any written repurchase agreement entered into with a Qualified Financial Institution whose unsecured short term obligations are rated in the Highest Rating Category.

(e) Commercial paper rated in the Highest Rating Category.

(f) Interest bearing negotiable certificates of deposit, interest bearing time deposits, interest bearing savings accounts and bankers' acceptances, issued by a Qualified Financial Institution if either (i) the Qualified Financial Institution's unsecured short term obligations are rated in the Highest Rating Category or (ii) such deposits, accounts or acceptances are fully

collateralized by investments described in clauses (a) or (b) of this definition or fully insured by the Federal Deposit Insurance Corporation.

(g) An agreement held by the Funding Lender for the investment of moneys at a guaranteed rate with a Qualified Financial Institution whose unsecured long term obligations are rated in the Highest Rating Category or the Second Highest Rating Category, or whose obligations are unconditionally guaranteed or insured by a Qualified Financial Institution whose unsecured long term obligations are rated in the Highest Rating Category or Second Highest Rating Category; provided that such agreement is in a form acceptable to the Funding Lender; and provided further that such agreement includes the following restrictions:

(1) the invested funds will be available for withdrawal without penalty or premium, at any time that (A) the Funding Lender is required to pay moneys from the Fund(s) established under this Funding Loan Agreement to which the agreement is applicable, or (B) any Rating Agency indicates that it will lower or actually lowers, suspends or withdraws the rating on the Funding Loan on account of the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement;

(2) the agreement, and if applicable the guarantee or insurance, is an unconditional and general obligation of the provider and, if applicable, the guarantor or insurer of the agreement, and ranks pari passu with all other unsecured unsubordinated obligations of the provider, and if applicable, the guarantor or insurer of the agreement;

(3) the Funding Lender receives an Opinion of Counsel, which may be subject to customary qualifications, that such agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and, if applicable, an Opinion of Counsel that any guaranty or insurance policy provided by a guarantor or insurer is legal, valid, binding and enforceable upon the guarantor or insurer in accordance with its terms; and

(4) the agreement provides that if during its term the rating of the Qualified Financial Institution providing, guaranteeing or insuring, as applicable, the agreement, is withdrawn, suspended by any Rating Agency or falls below the Second Highest Rating Category, the provider must, within ten days, either: (A) collateralize the agreement (if the agreement is not already collateralized) with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Funding Lender or a third party custodian, such collateralization to be effected in a manner and in an amount reasonably satisfactory to the Funding Lender, or, if the agreement is already collateralized, increase the collateral with Permitted Investments described in paragraph (a) or (b) by depositing collateral with the Funding Lender or a third party custodian, in an amount reasonably satisfactory to the Funding Lender, (B) at the request of the Funding Lender, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium unless required by law or (C) transfer the agreement, guarantee or insurance, as applicable, to a replacement provider, guarantor or insurer, as applicable, then meeting the requirements of a Qualified Financial Institution and whose unsecured long term obligations are then rated in the Highest Rating Category or the Second Highest Rating Category. The agreement may provide that the downgraded provider may elect which of the remedies to the down grade (other than the remedy set out in (B)) to perform.

Notwithstanding anything else in this Paragraph (g) to the contrary and with respect only to any agreement described in this Paragraph (g) or any guarantee or insurance for any such agreement which is to be in effect for any period after the Conversion Date (as defined in the Borrower Loan Agreement), any reference in this Paragraph to the "Second Highest Rating Category" will be deemed deleted so that the only acceptable rating category for such an agreement, guarantee or insurance will be the Highest Rating Category.

(h) Subject to the ratings requirements set forth in this definition, shares in any money market mutual fund (including those of the Funding Lender or any of its affiliates) registered under the Investment Company Act of 1940, as amended, that have been rated "AAAm-G" or "AAAm" by S&P or "Aaa" by Moody's so long as the portfolio of such money market mutual fund is limited to Government Obligations and agreements to repurchase Government Obligations. If approved in writing by the Funding Lender, a money market mutual fund portfolio may also contain obligations and agreements to repurchase obligations described in paragraphs (b) or (c). If the Governmental Lender Note is rated by a Rating Agency, the money market mutual fund must be rated "AAAm-G" or "AAAm" by S&P, if S&P is a Rating Agency, or "Aaa" by Moody's, if Moody's is a Rating Agency. If at any time the Governmental Lender Note is not rated (and, consequently, there is no Rating Agency), then the money market mutual fund must be rated "AAAm-G" or "AAAm" by S&P or Aaa by Moody's. If at any time (i) the Governmental Lender Note is not rated, (ii) both S&P and Moody's rate a money market mutual fund and (iii) one of those ratings is below the level required by this paragraph, then such money market mutual fund will, nevertheless, be deemed to be rated in the Highest Rating Category if the lower rating is no more than one rating category below the highest rating category of that rating agency.

(i) Any other investment authorized by the laws of the State, if such investment is approved in writing by the Funding Lender.

Permitted Investments shall not include any of the following:

(1) Except for any investment described in the next sentence, any investment with a final maturity or any agreement with a term greater than one year from the date of the investment. This exception (1) shall not apply to Permitted Investments listed in paragraphs (g) and (i).

(2) Except for any obligation described in paragraph (a) or (b), any obligation with a purchase price greater or less than the par value of such obligation.

(3) Any asset backed security, including mortgage backed securities, real estate mortgage investment conduits, collateralized mortgage obligations, credit card receivable asset backed securities and auto loan asset backed securities.

(4) Any interest only or principal only stripped security.

(5) Any obligation bearing interest at an inverse floating rate.

(6) Any investment which may be prepaid or called at a price less than its purchase price prior to stated maturity.

(7) Any investment the interest rate on which is variable and is established other than by reference to a single index plus a fixed spread, if any, and which interest rate moves proportionately with that index.

(8) Any investment described in paragraph (d) or (g) with, or guaranteed or insured by, a Qualified Financial Institution described in clause (iv) of the definition of Qualified Financial Institution if such institution does not agree to submit to jurisdiction, venue and service of process in the United States of America in the agreement relating to the investment.

(9) Any investment to which S&P has added an "r" or "t" highlighter.

"**Person**" shall mean any individual, corporation, limited liability company, partnership, joint venture, estate, trust, unincorporated association, any federal, state, county or municipal government or any bureau, department or agency thereof and any fiduciary acting in such capacity on behalf of any of the foregoing.

"**Pledged Revenues**" shall mean the amounts pledged under this Funding Loan Agreement to the payment of the principal of, prepayment premium, if any, and interest on the Funding Loan and the Governmental Lender Note, consisting of the following: (i) all income, revenues, proceeds and other amounts to which the Governmental Lender is entitled (other than amounts received by the Governmental Lender with respect to the Unassigned Rights) derived from or in connection with the Project and the Funding Loan Documents, including all Borrower Loan Payments due under the Borrower Loan Agreement and the Borrower Note, payments with respect to the Borrower Loan Payments and all amounts obtained through the exercise of the remedies provided in the Funding Loan Documents and all receipts credited under the provisions of this Funding Loan Agreement against said amounts payable, (ii) any payments due under the Cap Documents (as defined in the Borrower Loan Agreement), and (iii) moneys held in the funds and accounts established under this Funding Loan Agreement, together with investment earnings thereon.

"**Potential Default**" shall have the meaning ascribed to that term in the Borrower Loan Agreement.

"**Prepayment Premium**" shall mean (i) any premium payable by the Borrower pursuant to the Borrower Loan Documents in connection with a prepayment of the Borrower Note (including any Prepayment Premium as set forth in the Borrower Note) and (ii) any premium payable on the Governmental Lender Note pursuant to this Funding Loan Agreement.

"**Project**" shall have the meaning given to that term in the Ordinance.

"**Qualified Financial Institution**" shall mean any (i) bank or trust company organized under the laws of any state of the United States of America, (ii) national banking association, (iii) savings bank, savings and loan association, or insurance company or association chartered or organized under the laws of any state of the United States of America, (iv) federal branch or agency pursuant to the International Banking Act of 1978 or any successor provisions of law or a domestic branch or agency of a foreign bank which branch or agency is duly licensed or authorized to do business under the laws of any state or territory of the United States of America, (v) government bond dealer reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York, (vi) securities dealer approved in writing by the Funding Lender the liquidation of which is subject to the Securities Investors Protection Corporation or other similar corporation and (vii) other entity which is acceptable to the Funding Lender. With respect to an entity which provides an agreement held by the Funding Lender for the investment of

moneys at a guaranteed rate as set out in paragraph (g) of the definition of the term "Permitted Investments" or an entity which guarantees or insures, as applicable, the agreement, a "Qualified Financial Institution" may also be a corporation or limited liability company organized under the laws of any state of the United States of America.

"**Rating Agency**" shall mean any one and each of S&P, Moody's and Fitch then rating the Permitted Investments or any other nationally recognized statistical rating agency then rating the Permitted Investments, which has been approved by the Funding Lender.

"**Regulations**" shall mean with respect to the Code, the relevant U.S. Treasury regulations and proposed regulations thereunder or any relevant successor provision to such regulations and proposed regulations.

"**Regulatory Agreement**" shall mean that certain Land Use Restriction Agreement, dated as of the Closing Date, by and between the Governmental Lender and the Borrower, as hereafter amended or modified.

"**Remaining Funding Loan Proceeds Account**" has the meaning set forth in the Contingency Draw-Down Agreement.

"**Remaining Funding Loan Proceeds Account Earnings Subaccount**" has the meaning set forth in the Contingency Draw-Down Agreement.

"**Required Transferee Representations**" shall mean the representations in substantially the form attached to this Funding Loan Agreement as Exhibit B.

"**Second Highest Rating Category**" shall mean, with respect to a Permitted Investment, that the Permitted Investment is rated by each Rating Agency in the second highest rating category given by that Rating Agency for that general category of security. If at any time the Governmental Lender Note is not rated (and, consequently, there is no Rating Agency), then the term "Second Highest Rating Category" means, with respect to a Permitted Investment, that the Permitted Investment is rated by S&P or Moody's in the second highest rating category given by that rating agency for that general category of security. By way of example, the Second Highest Rating Category for tax-exempt municipal debt established by S&P is "AA" for a term greater than one year, with corresponding ratings by Moody's of "Aa." If at any time (i) the Governmental Lender Note is not rated, (ii) both S&P and Moody's rate a Permitted Investment and (iii) one of those ratings is below the Second Highest Rating Category, then such Permitted Investment will not be deemed to be rated in the Second Highest Rating Category. For example, an Investment rated "AA" by S&P and "A" by Moody's is not rated in the Second Highest Rating Category.

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Security**" shall mean the security for the performance by the Governmental Lender of its obligations under the Governmental Lender Note and this Funding Loan Agreement as more fully set forth in Article IV hereof.

"**Security Instrument**" shall mean the Mortgage, Security Agreement, Fixture Filing and Assignment of Leases and Rents (as amended, restated and/or supplemented from time to time) of even date herewith, made by the Borrower in favor of the Governmental Lender, as assigned to the Funding Lender to secure the performance by the Governmental Lender of its obligations under the Funding Loan.

"**Servicer**" shall mean any Servicer appointed by the Funding Lender to perform certain servicing functions with respect to the Funding Loan and on the Borrower Loan pursuant to a separate servicing agreement to be entered into between the Funding Lender and the Servicer. Initially the Servicer shall be the Funding Lender pursuant to this Funding Loan Agreement.

"**Servicing Agreement**" shall mean any servicing agreement entered into between the Funding Lender and a Servicer with respect to the servicing of the Funding Loan and/or the Borrower Loan, if any.

"**S&P**" shall mean Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business division, and its successors.

"**Special Limited Partner**" shall mean Red Stone Equity Manager LLC, a Delaware limited liability company.

"**State**" shall mean the State of Illinois.

"**Tax Compliance Agreement**" shall mean the Tax Compliance Agreement, dated the Closing Date, executed and delivered by the Governmental Lender and the Borrower.

"**Tax Counsel**" shall mean ArentFox Schiff LLP, or any other attorney or firm of attorneys designated by the Governmental Lender and approved by the Funding Lender having a national reputation for skill in connection with the authorization and issuance of municipal obligations under Sections 103 and 141 through 150 (or any successor provisions) of the Code.

"**Tax Counsel Approving Opinion**" shall mean an opinion of Tax Counsel substantially to the effect that the Governmental Lender Note constitutes a valid and binding obligation of the Governmental Lender and that, under existing statutes, regulations published rulings and judicial decisions, the interest on the Governmental Lender Note is excludable from gross income for federal income tax purposes (subject to the inclusion of such customary exceptions as are acceptable to the recipient thereof).

"**Tax Counsel No Adverse Effect Opinion**" shall mean an opinion of Tax Counsel to the effect that the taking of the action specified therein will not impair the exclusion of interest on the Governmental Lender Note from gross income for purposes of federal income taxation (subject to the inclusion of such customary exceptions as are acceptable to the recipient thereof).

"**UCC**" shall mean the Uniform Commercial Code as in effect in the State.

"**Unassigned Rights**" shall mean the Governmental Lender's rights to reimbursement and payment of its fees, costs and expenses and the Rebate Amount under Section 2.5 of the Borrower Loan Agreement, its right to payment of the Governmental Lender's Closing Fee, the Ongoing Fee and any other fees payable to the Governmental Lender under Section 2.5 thereof, its rights to attorneys' fees under Section 5.14 thereof, its rights to indemnification under Section 5.15 thereof, its rights of access under Section 5.17 thereof, its rights to enforce the terms of the Regulatory Agreement, including Borrower's covenants to comply with applicable laws, its rights to give and receive notices, reports and other statements and to enforce notice and reporting requirements and restrictions on transfers of ownership of the Project, and its rights to consent to certain matters, as provided in this Funding Loan Agreement and the Borrower Loan Agreement.

"**Written Certificate**," "Written Certification," "Written Consent," "Written Direction," "Written Notice," "Written Order," "Written Registration," "Written Request," and "Written Requisition" shall mean a written certificate, direction, notice, order or requisition signed by an Authorized Borrower

Representative, an Authorized City Representative or an authorized representative of the Funding Lender and delivered to the Funding Lender, the Servicer or such other Person as required under the Funding Loan Documents.

Section 1.2. Effect of Headings and Table of Contents. The Article and Section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.3. Date of Funding Loan Agreement. The date of this Funding Loan Agreement is intended as and for a date for the convenient identification of this Funding Loan Agreement and is not intended to indicate that this Funding Loan Agreement was executed and delivered on said date.

Section 1.4. Designation of Time for Performance. Except as otherwise expressly provided herein, any reference in this Funding Loan Agreement to the time of day shall mean the time of day in the city where the Funding Lender maintains its place of business for the performance of its obligations under this Funding Loan Agreement.

Section 1.5. Interpretation. The parties hereto acknowledge that each of them and their respective counsel have participated in the drafting and revision of this Funding Loan Agreement. Accordingly, the parties agree that any rule of construction that disfavors the drafting party shall not apply in the interpretation of this Funding Loan Agreement or any amendment or supplement or exhibit hereto.

ARTICLE II
TERMS; GOVERNMENTAL LENDER NOTE

Section 2.1. Terms.

(a) Principal Amount. The total aggregate principal amount of the Funding Loan is hereby expressly limited to the Authorized Amount.

(b) Draw-Down Funding. The Funding Loan is originated on a draw-down basis. The proceeds of the Funding Loan shall be advanced by the Construction Funding Lender for the account of the Governmental Lender directly to the Title Company which will then advance the proceeds to Borrower in accordance with the terms of the Construction Escrow Agreement as and when needed to make each advance in accordance with the disbursement provisions of the Borrower Loan Agreement and the Construction Funding Agreement. Upon each advance of principal under the Borrower Loan Agreement and the Construction Funding Agreement, a like amount of the Funding Loan shall be deemed concurrently and simultaneously advanced under this Funding Loan Agreement, including the initial advance of $_____. Notwithstanding anything in this Funding Loan Agreement to the contrary, no additional amounts of the Funding Loan may be drawn down and funded hereunder after _____ 1, 2028; provided, however, that upon the delivery of a Tax Counsel No Adverse Effect Opinion to the Governmental Lender and the Construction Funding Lender such date may be changed to a later date as specified in such Tax Counsel No Adverse Effect Opinion. The Governmental Lender has reviewed and approved the form of Contingency Draw-Down Agreement and consents to the terms thereof and agrees to take all actions reasonably required of the Governmental Lender in connection with the conversion of the Funding Loan to a fully drawn loan pursuant to the provisions of the Contingency Draw-Down Agreement in the event a Draw-Down Notice is filed by the Funding Lender or the Borrower.

(c) Origination Date; Maturity. The Funding Loan shall be originated, and the Governmental Lender Note shall be issued, on the Closing Date and shall mature on the Maturity Date at which time the

entire principal amount, to the extent not previously paid, and all accrued and unpaid interest, shall be due and payable.

(d) Principal. The outstanding principal amount of the Governmental Lender Note and of the Funding Loan as of any given date shall be the total amount advanced by the Funding Lender to or for the account of the Governmental Lender to fund corresponding advances under the Borrower Loan Agreement and the Construction Funding Agreement as proceeds of the Borrower Loan, less any payments of principal of the Governmental Lender Note previously received upon payment of corresponding principal amounts under the Borrower Note, including regularly scheduled principal payments and voluntary and mandatory prepayments. The principal amount of the Governmental Lender Note and interest thereon shall be payable on the basis specified in this paragraph (d) and in paragraphs (e) and (f) of this Section 2.1.

The Funding Lender shall keep a record of all principal advances and principal repayments made under the Governmental Lender Note and shall upon Written Request provide the Governmental Lender with a statement of the outstanding principal balance of the Governmental Lender Note and the Funding Loan.

(e) Interest. Interest shall be paid on the outstanding principal amount of the Governmental Lender Note at the rate or rates set forth in the Borrower Note and otherwise as set forth in the Borrower Loan Agreement.

(f) Corresponding Payments. The payment or prepayment of principal, interest and premium, if any, due on the Governmental Lender Note shall be identical with and shall be made on the same dates, terms and conditions, as the principal, interest, premiums, late payment fees and other amounts due on the Borrower Note. Any payment or prepayment made by the Borrower of principal, interest, premium, if any, due on the Borrower Note shall be deemed to be like payments or prepayments of principal, interest and premium, if any, due on the Governmental Lender Note.

(g) Usury. The Governmental Lender intends to conform strictly to the usury laws applicable to this Funding Loan Agreement and the Governmental Lender Note and all agreements made in the Governmental Lender Note, this Funding Loan Agreement and the Funding Loan Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid as interest or the amounts paid for the use of money advanced or to be advanced hereunder exceed the highest lawful rate prescribed under any law which a court of competent jurisdiction may deem applicable hereto. If, from any circumstances whatsoever, the fulfillment of any provision of the Governmental Lender Note, this Funding Loan Agreement or the other Funding Loan Documents shall involve the payment of interest in excess of the limit prescribed by any law which a court of competent jurisdiction may deem applicable hereto, then the obligation to pay interest hereunder shall be reduced to the maximum limit prescribed by law. If from any circumstances whatsoever, the Funding Lender shall ever receive anything of value deemed interest, the amount of which would exceed the highest lawful rate, such amount as would be excessive interest shall be deemed to have been applied, as of the date of receipt by the Funding Lender, to the reduction of the principal remaining unpaid hereunder and not to the payment of interest, or if such excessive interest exceeds the unpaid principal balance, such excess shall be refunded to the Borrower. This paragraph shall control every other provision of the Governmental Lender Note, this Funding Loan Agreement and all other Funding Loan Documents.

In determining whether the amount of interest charged and paid might otherwise exceed the limit prescribed by law, the Governmental Lender intends and agrees that (i) interest shall be computed upon the assumption that payments under the Borrower Loan Agreement and other Funding Loan Documents will be paid according to the agreed terms, and (ii) any sums of money that are taken into account in the

calculation of interest, even though paid at one time, shall be spread over the actual term of the Funding Loan.

Section 2.2. Form of Governmental Lender Note. As evidence of its obligation to repay the Funding Loan, simultaneously with the delivery of this Funding Loan Agreement to the Funding Lender, the Governmental Lender hereby agrees to execute and deliver the Governmental Lender Note. The Governmental Lender Note shall be substantially in the form set forth in Exhibit A attached hereto, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Funding Loan Agreement and the Ordinance.

Section 2.3. Execution and Delivery of Governmental Lender Note. The Governmental Lender Note shall be executed on behalf of the Governmental Lender by the manual or facsimile signature of its Chief Financial Officer, and its corporate seal (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced, and attested by the manual or facsimile signature of its City Clerk or Deputy City Clerk. In case any officer of the Governmental Lender whose signature or facsimile signature shall appear on the Governmental Lender Note shall cease to be such officer before the Governmental Lender Note so signed and sealed shall have been actually delivered, such Governmental Lender Note may, nevertheless, be delivered as herein provided, and may be executed and delivered as if the persons who signed or sealed such Governmental Lender Note had not ceased to hold such offices or be so employed. The Governmental Lender Note may be signed and sealed on behalf of the Governmental Lender by such persons as, at the actual time of the execution of the Governmental Lender Note, shall be duly authorized or hold the proper office in or employment by the Governmental Lender, although at the date of the Governmental Lender Note such persons may not have been so authorized nor have held such office or employment.

Section 2.4. Required Transferee Representations; Participations; Sale and Assignment.

(a) The Funding Lender shall deliver to the Governmental Lender the Required Transferee Representations in substantially the form attached hereto as Exhibit B on the Closing Date.

(b) The Funding Lender shall have the right to sell (i) the Governmental Lender Note and the Funding Loan or (ii) any portion of or a participation interest in the Governmental Lender Note and the Funding Loan, to the extent permitted by Section 2.4(c) below, provided that (A) such sale shall be only to Approved Transferees that execute and deliver to the Funding Lender, with a copy to the Governmental Lender, the Required Transferee Representations and (B) if any amendment is to be made to this Funding Loan Agreement or any other Funding Loan Document in conjunction with such transfer, a Tax Counsel No Adverse Effect Opinion.

(c) Notwithstanding the other provisions of this Section 2.4, no beneficial ownership interest in the Governmental Lender Note and Funding Loan shall be sold in an amount that is less than the Minimum Beneficial Ownership Amount.

(a) The Governmental Lender Note or any interest therein, shall be in fully-registered form transferable to subsequent holders only on the registration books which shall be maintained by the Funding Lender for such purpose and which shall be open to inspection by the Governmental Lender. The Governmental Lender Note shall not be transferred through the services of the Depository Trust Company or any other third party registrar.

(b) The parties agree that no rating shall be sought from a rating agency with respect to the Funding Loan or the Governmental Lender Note.

(c) No service charge shall be made for any sale or assignment of the Governmental Lender Note or a participation therein, but the Governmental Lender may require payment of a sum sufficient to cover any tax or other charge that may be imposed in connection with any such sale or assignment and payment of any fees and expenses incurred by the Governmental Lender in connection therewith. Such sums shall be paid in every instance by the purchaser or assignee of the Governmental Lender Note or a participation therein.

ARTICLE III
PREPAYMENT

Section 3.1. Prepayment of the Governmental Lender Note from Prepayment under the Borrower Note. The Governmental Lender Note is subject to voluntary and mandatory prepayment as follows:

(a) The Governmental Lender Note shall be subject to voluntary prepayment in full or in part by the Governmental Lender, from funds received by the Governmental Lender to the extent and in the manner and on any date that the Borrower Note is subject to voluntary prepayment as set forth therein, at a prepayment price equal to the principal balance of the Borrower Note to be prepaid, plus interest thereon to the date of prepayment and the amount of any Prepayment Premium payable under the Borrower Note, plus any Additional Borrower Payments due and payable under the Borrower Loan Agreement through the date of prepayment.

The Borrower shall not have the right to voluntarily prepay all or any portion of the Borrower Note, thereby causing the Governmental Lender Note to be prepaid, except as specifically permitted in the Borrower Note, without the prior Written Consent of Funding Lender, which may be withheld in Funding Lender's sole and absolute discretion.

(b) The Governmental Lender Note shall be subject to mandatory prepayment in whole or in part upon prepayment of the Borrower Note at the direction of the Funding Lender in accordance with the terms of the Borrower Note at a prepayment price equal to the outstanding principal balance of the Borrower Note prepaid, plus accrued interest plus any other amounts payable under the Borrower Note or the Borrower Loan Agreement.

Section 3.2. Notice of Prepayment. Notice of prepayment of the Governmental Lender Note shall be deemed given to the extent that notice of prepayment of the Borrower Note is timely and properly given to Funding Lender in accordance with the terms of the Borrower Note and the Borrower Loan Agreement, and no separate notice of prepayment of the Governmental Lender Note is required to be given.

ARTICLE IV
SECURITY

Section 4.1. Security for the Funding Loan. To secure the payment of the Funding Loan and the Governmental Lender Note, to declare the terms and conditions on which the Funding Loan and the Governmental Lender Note are secured, and in consideration of the premises and of the funding of the Funding Loan by the Construction Funding Lender, the Governmental Lender by these presents does grant, bargain, sell, remise, release, convey, assign, transfer, mortgage, hypothecate, pledge, set over and confirm to the Funding Lender (except as limited herein), a lien on and security interest in the following described property (excepting, however, in each case, the Unassigned Rights) (said property, rights and privileges being herein collectively called, the "**Security**"):

(a) All right, title and interest of the Governmental Lender in, to and under the Borrower Loan Agreement and the Borrower Note, including, without limitation, all rents, revenues and receipts derived by the Governmental Lender from the Borrower relating to the Project and including, without limitation, all Pledged Revenues, Borrower Loan Payments and Additional Borrower Payments derived by the Governmental Lender under and pursuant to, and subject to the provisions of, the Borrower Loan Agreement; provided that the pledge and assignment made under this Funding Loan Agreement shall not impair or diminish the obligations of the Governmental Lender under the provisions of the Borrower Loan Agreement;

(b) All right, title and interest of the Governmental Lender in, to and under, together with all rights, remedies, privileges and options pertaining to, the Funding Loan Documents, and all other payments, revenues and receipts derived by the Governmental Lender under and pursuant to, and subject to the provisions of, the Funding Loan Documents;

(c) Any and all moneys and investments from time to time on deposit in, or forming a part of, all funds and accounts created and held under this Funding Loan Agreement and any amounts held at any time in the Remaining Funding Loan Proceeds Account and the Remaining Funding Loan Proceeds Account Earnings Subaccount, any Negative Arbitrage Deposit and any other amounts held under the Contingency Draw-Down Agreement, subject to the provisions of this Funding Loan Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein; and

(d) Any and all other real or personal property of every kind and nature or description, which may from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of this Funding Loan Agreement as additional security by the Governmental Lender or anyone on its part or with its consent, or which pursuant to any of the provisions hereof or of the Borrower Loan Agreement may come into the possession or control of the Funding Lender or a receiver appointed pursuant to this Funding Loan Agreement; and the Funding Lender is hereby authorized to receive any and all such property as and for additional security for the Funding Loan and the Governmental Lender Note and to hold and apply all such property subject to the terms hereof.

The pledge and assignment of and the security interest granted in the Security pursuant to this Section 4.1 for the payment of the principal of, premium, if any, and interest on the Governmental Lender Note, in accordance with its terms and provisions, and for the payment of all other amounts due hereunder, shall attach and be valid and binding from and after the time of the delivery of the Governmental Lender Note by the Governmental Lender. The Security so pledged and then or thereafter received by the Funding Lender shall immediately be subject to the lien of such pledge and security interest without any physical delivery or recording thereof or further act, and the lien of such pledge and security interest shall be valid and binding and prior to the claims of any and all parties having claims of any kind in tort, contract or otherwise against the Governmental Lender irrespective of whether such parties have notice thereof.

Section 4.2. Delivery of Security. To provide security for the payment of the Funding Loan and the Governmental Lender Note, the Governmental Lender has pledged and assigned to secure payment of the Funding Loan and the Governmental Lender Note its right, title and interest in the Security to the Funding Lender. In connection with such pledge, assignment, transfer and conveyance, the Governmental Lender shall deliver to the Funding Lender the following documents or instruments promptly following their execution and, to the extent applicable, their recording or filing:

(a) The Borrower Note endorsed without recourse to the Construction Funding Lender by the Governmental Lender;

(b) The originally executed Borrower Loan Agreement and Regulatory Agreement;

(c) The originally executed Security Instrument and all other Borrower Loan Documents existing at the time of delivery of the Borrower Note and an assignment for security of the Security Instrument from the Governmental Lender to the Construction Funding Lender, in recordable form;

(d) Uniform Commercial Code financing statements or other chattel security documents giving notice of the Construction Funding Lender's status as an assignee of the Governmental Lender's security interest in any personal property forming part of the Project, in form suitable for filing; and

(e) Uniform Commercial Code financing statements giving notice of the pledge by the Governmental Lender of the Security pledged under this Funding Loan Agreement.

The Governmental Lender shall deliver and deposit with the Construction Funding Lender such additional documents, financing statements, and instruments as the Construction Funding Lender may reasonably require from time to time for the better perfecting and assuring to the Construction Funding Lender of its lien and security interest in and to the Security including, at the request of the Construction Funding Lender, any amounts held under the Contingency Draw-Down Agreement, at the expense of the Borrower.

ARTICLE V
LIMITED LIABILITY

Section 5.1. Source of Payment of Governmental Lender Note and Other Obligations; Disclaimer of General Liability. The Governmental Lender Note, together with premium, if any, and interest thereon, are special, limited obligations of the Governmental Lender, payable solely from the security pledged hereunder. The Governmental Lender Note is not a general obligation of the Governmental Lender or a charge against its general credit or the general credit taxing powers of the State, the Governmental Lender, or any other political subdivision thereof, and shall never give rise to any pecuniary liability of the Governmental Lender, and neither the Governmental Lender, the State nor any other political subdivision thereof shall be liable for the payments of principal of and, premium, if any, and interest on the Governmental Lender Note, and the Governmental Lender Note is payable from no other source, but are special, limited obligations of the Governmental Lender, payable solely out of the security pledged hereunder and receipts of the Governmental Lender derived pursuant to this Funding Loan Agreement. No holder of the Governmental Lender Note or any interest therein has the right to compel any exercise of the taxing power of the State, the Governmental Lender or any other political subdivision thereof to pay the Governmental Lender Note or the interest or premium, if any, thereon.

Section 5.2. Exempt from Individual Liability. No recourse shall be had for the payment of the principal of, premium, if any, or the interest on the Governmental Lender Note or for any claim based thereon or any obligation, covenant or agreement in this Funding Loan Agreement against any official, officer, agent, employee or independent contractor of the Governmental Lender or any person executing the Governmental Lender Note in his or her personal capacity. No covenant, stipulation, promise, agreement or obligation contained in the Governmental Lender Note, this Funding Loan Agreement or any other document executed in connection herewith shall be deemed to be the covenant, stipulation, promise, agreement or obligation of any present or future official, officer, agent or employee of the Governmental Lender in his or her individual capacity and neither any official of the Governmental Lender nor any officers executing the Governmental Lender Note shall be liable personally on the Governmental Lender Note or under this Funding Loan Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of the Governmental Lender Note or the execution of this Funding Loan Agreement.

ARTICLE VI
CLOSING CONDITIONS; APPLICATION OF FUNDS

Section 6.1. Conditions Precedent to Closing. Closing of the Funding Loan on the Closing Date shall be conditioned upon satisfaction or waiver by the Funding Lender in its sole discretion of each of the conditions precedent to closing set forth in this Funding Loan Agreement, including but not limited to the following:

(a) Receipt by the Construction Funding Lender of the original Governmental Lender Note;

(b) Receipt by the Construction Funding Lender of the original executed Borrower Note, endorsed to the Construction Funding Lender by the Governmental Lender;

(c) Receipt by the Funding Lender of executed counterpart copies of this Funding Loan Agreement, the Borrower Loan Agreement, the Construction Funding Agreement, the Regulatory Agreement, the Tax Compliance Agreement, the Forward Bond Purchase Agreement and the Security Instrument;

(d) A certified copy of the Ordinance;

(e) Executed Required Transferee Representations from the Construction Funding Lender;

(f) Delivery into escrow of all amounts required to be paid in connection with the origination of the Borrower Loan and the Funding Loan and any underlying real estate transfers or transactions, including the Costs of Funding Deposit, in accordance with Section 2.3(c)(ii) of the Borrower Loan Agreement;

(g) Receipt by the Construction Funding Lender of a Tax Counsel Approving Opinion;

(h) Receipt by the Construction Funding Lender of an Opinion of Counsel from Co-Bond Counsel to the effect that the Governmental Lender Note is exempt from registration under the Securities Act, and this Funding Loan Agreement is exempt from qualification under the Trust Indenture Act of 1939, as amended;

(i) Delivery of an opinion of counsel to the Borrower addressed to the Governmental Lender and the Construction Funding Lender to the effect that the Borrower Loan Documents and the Regulatory Agreement are valid and binding obligations of the Borrower, enforceable against the Borrower in accordance with their terms, subject to such exceptions and qualifications as are acceptable to the Governmental Lender and the Construction Funding Lender; and

(j) Receipt by the Construction Funding Lender of any other documents or opinions that the Funding Lender or Co-Bond Counsel may reasonably require.

ARTICLE VII
FUNDS AND ACCOUNTS

Section 7.1. Authorization to Create Funds and Accounts. No funds or accounts shall be established in connection with the Funding Loan at the time of closing and origination of the Funding Loan. The Funding Lender and the Servicer, if any, are authorized to establish and create from time to time such other funds and accounts or subaccounts as may be necessary for the deposit of moneys (including, without limitation, insurance proceeds and/or condemnation awards), if any, received by the

Governmental Lender, the Funding Lender or the Servicer pursuant to the terms hereof or any of the other Funding Loan Documents and not immediately transferred or disbursed pursuant to the terms of the Funding Loan Documents and/or the Borrower Loan Documents.

Section 7.2. Investment of Funds. Amounts held in any funds or accounts created under this Funding Loan Agreement shall be invested in Permitted Investments at the direction of the Borrower, subject in all cases to the restrictions of Section 8.6 hereof and of the Tax Compliance Agreement.

ARTICLE VIII
REPRESENTATIONS AND COVENANTS

Section 8.1. General Representations. The Governmental Lender makes the following representations to Funding Lender as the basis for the undertakings on its part herein contained:

(a) The Governmental Lender is a municipality and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State. The Governmental Lender has power and lawful authority to adopt the Ordinance, to execute and deliver the Funding Loan Documents to which it is a party (the "Governmental Lender Documents"), to execute and deliver the Governmental Lender Note and receive the proceeds of the Funding Loan, to apply the proceeds of the Funding Loan to make the Borrower Loan, to assign the revenues derived and to be derived by the Governmental Lender from the Borrower Loan to the Funding Lender, and to perform and observe the provisions of the Governmental Lender Documents and the Governmental Lender Note on its part to be performed and observed.

(b) The City Council of the Governmental Lender has approved the Ordinance and the Ordinance has not been amended, modified or rescinded and is in full force and effect as of the date hereof.

(c) The Governmental Lender has duly authorized the execution and delivery of each of the Funding Loan Agreement and the Governmental Lender Note and the performance of the obligations of the Governmental Lender thereunder.

(d) The Governmental Lender makes no representation or warranty, express or implied, that the proceeds of the Funding Loan will be sufficient to finance the acquisition, rehabilitation, construction and equipping of the Project or that the Project will be adequate or sufficient for the Borrower's intended purposes.

(e) The revenues and receipts to be derived from the Borrower Loan Agreement, the Borrower Note and this Funding Loan Agreement have not been pledged previously by the Governmental Lender to secure any of its notes or bonds other than the repayment of the Funding Loan.

THE GOVERNMENTAL LENDER MAKES NO REPRESENTATION, COVENANT OR AGREEMENT AS TO THE FINANCIAL POSITION OR BUSINESS CONDITION OF THE BORROWER OR THE PROJECT AND DOES NOT REPRESENT OR WARRANT AS TO ANY STATEMENTS, MATERIALS, REPRESENTATIONS OR CERTIFICATIONS FURNISHED BY THE BORROWER IN CONNECTION WITH THE FUNDING LOAN OR THE BORROWER LOAN OR AS TO THE CORRECTNESS, COMPLETENESS OR ACCURACY THEREOF.

Section 8.2. Further Assurances. The Governmental Lender will do, execute, acknowledge, when appropriate, and deliver from time to time at the request of the Funding Lender, to the extent permitted by the Ordinance, such further acts, instruments, financing statements and other documents as

are necessary or desirable to better assure, transfer, pledge or assign to the Funding Lender or holders of interest in the Funding Loan, and grant a security interest unto the Funding Lender or holders of interests in the Funding Loan in and to the Security and the other properties and revenues herein described and otherwise to carry out the intent and purpose of the Funding Loan Documents and the Funding Loan.

Section 8.3. Payment of Funding Loan Obligations. The Governmental Lender will pay or cause to be paid the principal of, prepayment premium, if any, and the interest on the Funding Loan as the same become due, but solely from the Security, as described in Section 5.1 of this Funding Loan Agreement.

Section 8.4. Funding Loan Agreement Performance. The Funding Lender, on behalf of the Governmental Lender and with the Written Consent of the Governmental Lender, may (but shall not be required or obligated) perform and observe any such agreement or covenant of the Governmental Lender under the Funding Loan Agreement, all to the end that the Governmental Lender's rights under the Borrower Loan Agreement may be unimpaired and free from default.

Section 8.5. Servicer. The Funding Lender may appoint a Servicer to service and administer the Governmental Loan and the Borrower Loan on behalf of the Funding Lender, including without limitation the fulfillment of rights and responsibilities granted by Governmental Lender to Funding Lender pursuant to Section 2.1 of the Borrower Loan Agreement; provided, however, that no appointment of a Servicer shall release the Funding Lender from ultimate responsibility for any obligation hereunder.

Section 8.6. Tax Covenants. The Governmental Lender covenants to and for the benefit of the Funding Lender and any other holders of an interest in the Governmental Lender Note that, notwithstanding any other provisions of this Funding Loan Agreement or of any other instrument, it will:

(i) At all times do and perform all acts and things permitted by law and this Funding Loan Agreement which are necessary or desirable in order to assure, and will not knowingly take any action which will adversely affect, the tax-exempt status of the Governmental Lender Note; and

(ii) Not use or knowingly permit the use of any proceeds of the Funding Loan or other funds of the Governmental Lender, directly or indirectly, in any manner, and will not take or permit to be taken any other action or actions, which would result in any of the Governmental Lender Note being treated as an obligation not described in Section 142(a)(7) of the Code by reason of the Governmental Lender Note or interest thereon not meeting the requirements of Section 142(d) of the Code;

In furtherance of the covenants in this Section 8.6, the Governmental Lender and the Borrower shall execute, deliver and comply with the provisions of the Tax Compliance Agreement, which are by this reference incorporated into this Funding Loan Agreement and made a part of this Funding Loan Agreement as if set forth in this Funding Loan Agreement in full, and by its acceptance of this Funding Loan Agreement the Funding Lender acknowledges receipt of the Tax Compliance Agreement and acknowledges its incorporation in this Funding Loan Agreement by this reference. The Funding Lender agrees it will invest funds held under this Funding Loan Agreement in Permitted Investments in accordance with the direction of the Borrower and the terms of this Funding Loan Agreement and the Tax Compliance Agreement (this covenant shall extend throughout the term of the Funding Loan, to all funds and accounts created under or in connection with this Funding Loan Agreement and all moneys on deposit to the credit of any Fund or Account); provided that the Funding Lender shall be deemed to have complied with such requirements and shall have no liability to the extent it reasonably follows directions of the Borrower not inconsistent with the terms of this Funding Loan Agreement and the Tax Compliance

Agreement or otherwise complies with the provisions of the Funding Loan Agreement relating to funds and accounts.

For purposes of this Section 8.6 the Governmental Lender's compliance shall be based solely on matters within the Governmental Lender's control and no acts, omissions or directions of the Borrower, the Funding Lender or any other Persons shall be attributed to the Governmental Lender.

In complying with the foregoing covenants, the Governmental Lender may rely from time to time on a Tax Counsel No Adverse Effect Opinion or other appropriate opinion of Tax Counsel.

Section 8.7. Performance by the Borrower. Without relieving the Governmental Lender from the responsibility for performance and observance of the agreements and covenants required to be performed and observed by it hereunder, the Borrower, on behalf of the Governmental Lender and with the Written Consent of the Governmental Lender, may perform any such agreement or covenant if no Borrower Loan Agreement Default or Potential Default under the Borrower Loan Agreement exists.

Section 8.8. Repayment of Funding Loan. Subject to the provisions of Article V hereof, the Governmental Lender will duly and punctually repay, or cause to be repaid, but solely from the Security set forth in Article IV hereof, the Funding Loan, as evidenced by the Governmental Lender Note, as and when the same shall become due, all in accordance with the terms of the Governmental Lender Note and this Funding Loan Agreement.

Section 8.9. Borrower Loan Agreement Performance.

(a) The Servicer and the Funding Lender, on behalf of the Governmental Lender, may (but shall not be required or obligated to) perform and observe any such agreement or covenant of the Governmental Lender under the Borrower Loan Agreement, all to the end that the Governmental Lender's rights under the Borrower Loan Agreement may be unimpaired and free from default.

(b) The Governmental Lender will promptly notify the Borrower, the Servicer and the Funding Lender in writing of the occurrence of any Borrower Loan Agreement Default, provided that the Governmental Lender has received Written Notice or otherwise has actual knowledge of such event; and further provided that the Governmental Lender shall have no liability to any person for its failure to provide any such notice so long as it has made a good faith effort to comply with such provisions.

(c) The Funding Lender will promptly notify the Borrower, the Servicer, if any, and the Governmental Lender in writing of the occurrence of any Event of Default or any Borrower Loan Agreement Default known to the Funding Lender.

Section 8.10. Maintenance of Records; Inspection of Records.

(a) The Funding Lender shall keep and maintain adequate records pertaining to the funds and accounts, if any, established hereunder, including all deposits to and disbursements from said funds and accounts and shall keep and maintain the registration books for the Funding Loan and interests therein. The Funding Lender shall retain in its possession all certifications and other documents presented to it, all such records and all records of principal, interest and prepayment premium, if any, paid on the Funding Loan, subject to the inspection of the Borrower, the Governmental Lender, the Servicer and their representatives at all reasonable times and upon reasonable prior notice.

(b) The Governmental Lender will at any and all times, upon the reasonable request of the Servicer, the Borrower or the Funding Lender, afford and procure a reasonable opportunity by their

respective representatives to inspect the books, records, reports and other papers of the Governmental Lender relating to the Project and the Funding Loan, if any, and to make copies thereof.

Section 8.11. Representations and Warranties of the Funding Lender. The Funding Lender hereby represents to the Governmental Lender and the Borrower that it is duly authorized to enter into and perform this Funding Loan Agreement, and has full authority to take such action as it may deem advisable with respect to all matters pertaining to this Funding Loan Agreement.

ARTICLE IX
DEFAULT; REMEDIES

Section 9.1. Events of Default. Any one or more of the following shall constitute an event of default (an "**Event of Default**") under this Funding Loan Agreement (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or Governmental body):

(a) A default in the payment of any interest upon the Governmental Lender Note when such interest becomes due and payable; or

(b) A default in the payment of principal of, or premium on, the Governmental Lender Note when such principal or premium becomes due and payable, whether at its stated maturity, by declaration of acceleration or call for mandatory prepayment or otherwise; or

(c) Subject to Section 8.7 hereof, default in the performance or breach of any material covenant or warranty of the Governmental Lender in this Funding Loan Agreement (other than a covenant or warranty or default in the performance or breach of which is elsewhere in this Section specifically dealt with), and continuance of such default or breach for a period of 30 days after there has been given Written Notice, as provided in Section 11.1 hereof, to the Governmental Lender and the Borrower by the Funding Lender or the Servicer, specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under this Funding Loan Agreement; provided that, so long as the Governmental Lender, Borrower, Limited Partner or Special Limited Partner has commenced to cure such failure to observe or perform within the thirty (30) day cure period and the subject matter of the default is not capable of cure within said thirty (30) day period and the Governmental Lender, Borrower, Limited Partner or Special Limited Partner is diligently pursuing such cure to the Funding Lender's satisfaction, with the Funding Lender's Written Direction or Written Consent, then the Governmental Lender shall have an additional period of time as reasonably necessary (not to exceed 60 days unless extended in writing by the Funding Lender) within which to cure such default; or

(d) A default in the payment of any Additional Borrower Payments which such Additional Borrower Payment default remains uncured for a period of five (5) Business Days after Written Notice thereof shall have been given to the Governmental Lender and Borrower; or

(e) Any other "Event of Default" under any of the other Funding Loan Documents (taking into account any applicable grace periods therein).

Section 9.2. Acceleration of Maturity; Rescission and Annulment.

(a) Subject to the provisions of Section 9.9 hereof, upon the occurrence of an Event of Default under Section 9.1 hereof, then and in every such case, the Funding Lender may declare the

principal of the Funding Loan and the Governmental Lender Note and the interest accrued to be immediately due and payable, by notice to the Governmental Lender and the Borrower and upon any such declaration, all principal of and Prepayment Premium, if any, and interest on the Funding Loan and the Governmental Lender Note shall become immediately due and payable.

(b) At any time after a declaration of acceleration has been made pursuant to subsection (a) of this Section, the Funding Lender may by Written Notice to the Governmental Lender, rescind and annul such declaration and its consequences if:

There has been deposited with the Funding Lender a sum sufficient to pay (1) all overdue installments of interest on the Governmental Lender Note, (2) the principal of and Prepayment Premium on the Governmental Lender Note that has become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in the Governmental Lender Note, (3) to the extent that payment of such interest is lawful, interest upon overdue installments of interest at the rate or rates prescribed therefor in the Governmental Lender Note, and (4) all sums paid or advanced by the Funding Lender and the reasonable compensation, expenses, disbursements and advances of the Funding Lender, its agents and counsel (but only to the extent not duplicative with subclauses (1) and (3) above); and

All Events of Default, other than the non payment of the principal of the Governmental Lender Note which have become due solely by such declaration of acceleration, have been cured or have been waived in writing as provided in Section 9.9 hereof.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

Notwithstanding the occurrence and continuation of an Event of Default, it is understood that the Funding Lender shall pursue no remedies against the Borrower or the Project if no Borrower Loan Agreement Default has occurred and is continuing. An Event of Default hereunder shall not in and of itself constitute a Borrower Loan Agreement Default or a default under any other Funding Loan Document.

Section 9.3. Additional Remedies; Funding Lender Enforcement.

(a) Upon the occurrence of an Event of Default, the Funding Lender may, subject to the provisions of this Section 9.3 and Section 9.9 hereof, proceed to protect and enforce its rights by mandamus or other suit, action or proceeding at law or in equity. No remedy conferred by this Funding Loan Agreement upon or remedy reserved to the Funding Lender is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and shall be in addition to any other remedy given to the Funding Lender hereunder or now or hereafter existing at law or in equity or by statute.

(b) Upon the occurrence and continuation of any Event of Default, the Funding Lender may proceed forthwith to protect and enforce its rights under this Funding Loan Agreement by such suits, actions or proceedings as the Funding Lender, in its sole discretion, shall deem expedient. Funding Lender shall have upon the occurrence and continuation of any Event of Default all rights, powers, and remedies with respect to the Security as are available under the Uniform Commercial Code applicable thereto or as are available under any other applicable law at the time in effect and, without limiting the generality of the foregoing, the Funding Lender may proceed at law or in equity or otherwise, to the extent permitted by applicable law:

(i) to take possession of the Security or any part thereof, with or without legal process, and to hold, service, administer and enforce any rights thereunder or thereto, and otherwise exercise all rights of ownership thereof, including (but not limited to) the sale of all or part of the Security;

(ii) to become mortgagee of record for the Borrower Loan including, without limitation, completing the assignment of the Security Instrument by the Governmental Lender to the Funding Lender as anticipated by this Funding Loan Agreement, and recording the same in the real estate records of the jurisdiction in which the Project is located, without further act or consent of the Governmental Lender, and to service and administer the same for its own account;

(iii) to service and administer the Funding Loan as agent and on behalf of the Governmental Lender or otherwise, and, if applicable, to take such actions necessary to enforce the Borrower Loan Documents and the Funding Loan Documents on its own behalf, and to take such alternative courses of action, as it may deem appropriate; or

(iv) to take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Governmental Lender Note, this Funding Loan Agreement or the other Funding Loan Documents, or the Borrower Loan Documents, or in and of the execution of any power herein granted, or for foreclosure hereunder, or for enforcement of any other appropriate legal or equitable remedy or otherwise as the Funding Lender may elect.

Whether or not an Event of Default has occurred, and except as provided in Section 9.15, the Funding Lender, in its sole discretion, as administrative agent for the Governmental Lender, shall have the sole right to waive or forbear any term, condition, covenant or agreement of the Security Instrument, the Borrower Loan Agreement, the Borrower Note or any other Borrower Loan Documents or Funding Loan Documents applicable to the Borrower, or any breach thereof, other than a covenant that would adversely impact the tax-exempt status of the interest on the Governmental Lender Note, and provided that the Governmental Lender may enforce specific performance with respect to the Unassigned Rights.

If the Borrower defaults in the performance or observance of any covenant, agreement or obligation of the Borrower set forth in the Regulatory Agreement, and if such default remains uncured for a period of 60 days after the Borrower and the Funding Lender receive Written Notice stating that a default under the Regulatory Agreement has occurred and specifying the nature of the default, the Funding Lender shall have the right to seek specific performance of the provisions of the Regulatory Agreement or to exercise its other rights or remedies thereunder.

If the Borrower defaults in the performance of its obligations under the Borrower Loan Agreement to make rebate payments, to comply with any applicable continuing disclosure requirements, or to make payments owed pursuant to Sections 2.5, 5.14 or 5.15 of the Borrower Loan Agreement for fees, expenses or indemnification, the Funding Lender shall have the right to exercise all its rights and remedies thereunder (subject to the last paragraph of Section 9.14 hereof).

Section 9.4. Application of Money Collected. Any money collected by the Funding Lender pursuant to this Article and any other sums then held by the Funding Lender as part of the Security, shall be applied in the following order, at the date or dates fixed by the Funding Lender:

(a) First: To the payment of any and all fees due the Governmental Lender, the Servicer or the Rebate Analyst under the Borrower Loan Documents;

(b) Second: To the payment of any and all amounts due under the Funding Loan Documents other than with respect to principal and interest accrued on the Funding Loan;

(c) Third: To the payment of the whole amount of the Funding Loan, as evidenced by the Governmental Lender Note, then due and unpaid in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Governmental Lender Note) on overdue principal of, and Prepayment Premium and overdue installments of interest on the Governmental Lender Note; provided, however, that partial interests in any portion of the Governmental Lender Note shall be paid in such order of priority as may be prescribed by Written Direction of the Funding Lender in its sole and absolute discretion; and

(d) Fourth: The payment of the remainder, if any, to the Borrower or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

(e) If and to the extent this Section 9.4 conflicts with the provisions of the Servicing Agreement, the provisions of the Servicing Agreement shall control. Capitalized terms used in this Section 9.4 but not otherwise defined in this Funding Loan Agreement shall have the meanings given such terms in the Servicing Agreement.

Section 9.5. Remedies Vested in Funding Lender. All rights of action and claims under this Funding Loan Agreement or the Governmental Lender Note may be prosecuted and enforced by the Funding Lender without the possession of the Governmental Lender Note or the production thereof in any proceeding relating thereto.

Section 9.6. Restoration of Positions. If Funding Lender shall have instituted any proceeding to enforce any right or remedy under this Funding Loan Agreement and such proceeding shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Funding Lender, then and in every such case the Governmental Lender and the Funding Lender shall, subject to any determination in such proceeding, be restored to their former positions hereunder, and thereafter all rights and remedies of the Governmental Lender and the Funding Lender shall continue as though no such proceeding had been instituted.

Section 9.7. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Funding Lender is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 9.8. Delay or Omission Not Waiver. No delay or omission of the Funding Lender to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Funding Lender may be exercised from time to time, and as often as may be deemed expedient, by Funding Lender. No waiver of any default or Event of Default pursuant to Section 9.9 hereof shall extend to or shall affect any subsequent default or Event of Default hereunder or shall impair any rights or remedies consequent thereon.

Section 9.9. Waiver of Past Defaults. Before any judgment or decree for payment of money due has been obtained by the Funding Lender, the Funding Lender may, subject to Section 9.6 hereof, by Written Notice to the Governmental Lender and the Borrower, waive in writing any past default

hereunder or under the Borrower Loan Agreement and its consequences except for default in obligations due the Governmental Lender pursuant to or under the Unassigned Rights. Upon any such written waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Funding Loan Agreement and the Borrower Loan Agreement; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 9.10. Remedies Under Borrower Loan Agreement or Borrower Note. As set forth in this Section 9.10 but subject to Section 9.9 hereof, the Funding Lender shall have the right, in its own name or on behalf of the Governmental Lender, to declare any default and exercise any remedies under the Borrower Loan Agreement or the Borrower Note, whether or not the Governmental Lender Note has been accelerated or declared due and payable by reason of an Event of Default.

Section 9.11. Waiver of Appraisement and Other Laws.

(a) To the extent permitted by law, the Governmental Lender will not at any time insist upon, plead, claim or take the benefit or advantage of, any appraisement, valuation, stay, extension or redemption law now or hereafter in force, in order to prevent or hinder the enforcement of this Funding Loan Agreement; and the Governmental Lender, for itself and all who may claim under it, so far as it or they now or hereafter may lawfully do so, hereby waives the benefit of all such laws. The Governmental Lender, for itself and all who may claim under it, waives, to the extent that it may lawfully do so, all right to have the property in the Security marshaled upon any enforcement hereof.

(b) If any law now in effect prohibiting the waiver referred to in Section 9.11(a) shall hereafter be repealed or cease to be in force, such law shall not thereafter be deemed to constitute any part of the contract herein contained or to preclude the application of this Section 9.11.

Section 9.12. Suits to Protect the Security. The Funding Lender shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Security by any acts that may be unlawful or in violation of this Funding Loan Agreement and to protect its interests in the Security and in the rents, issues, profits, revenues and other income arising therefrom, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security hereunder or be prejudicial to the interests of the Funding Lender.

Section 9.13. Remedies Subject to Applicable Law. All rights, remedies and powers provided by this Article may be exercised only to the extent that the exercise thereof does not violate any applicable provision of law in the premises, and all the provisions of this Article are intended to be subject to all applicable mandatory provisions of law which may be controlling in the premises and to be limited to the extent necessary so that they will not render this Funding Loan Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under the provisions of any applicable law.

Section 9.14. Assumption of Obligations. In the event that the Funding Lender or its permitted assignee or designee in accordance with Section 2.4 hereof shall become the legal or beneficial owner of the Project by foreclosure or deed in lieu of foreclosure, such party shall succeed to the rights and the obligations of the Borrower under the Borrower Loan Agreement, the Borrower Note, the Regulatory Agreement and any other Funding Loan Documents to which the Borrower is a party. Such succession shall be effective from and after the effective date of such acquisition and shall be made with the benefit of the limitations of liability set forth therein and without any liability for the prior acts of the Borrower. The Funding Lender's acquisition of the legal or beneficial ownership of the Project by

foreclosure or deed in lieu of foreclosure shall not in and of itself cause a merger and extinguishment of the lien of the Mortgage and the Mortgage shall remain in full force and effect absent the express written release by the Funding Lender of the lien of the Mortgage.

It is the intention of the parties hereto that upon the occurrence and continuance of an Event of Default hereunder, rights and remedies may be pursued pursuant to the terms of the Funding Loan Documents, subject to the last paragraph of Section 9.2.

Section 9.15. Remedies upon Unremedied Material Funding Lender Event. Upon the occurrence of a Material Funding Lender Event which shall continue unremedied for a period of 60 days (a "**Funding Lender Event of Default**"), the Governmental Lender may direct that the Governmental Lender Note be transferred to and obligations and liabilities thereunder be assumed by another lender approved to act as Funding Lender by the Governmental Lender pursuant to Section 2.4(b) hereof and acceptable to the Borrower; provided, however, that (a) no such transfer shall become effective until the Funding Lender has been fully reimbursed for all advances made and all expenses incurred and all other amounts owed to Funding Lender with respect to the Governmental Lender Note through the date of transfer, and Funding Lender shall be fully released in writing by the Governmental Lender, the Borrower and the successor lender from any and all continuing obligations and liabilities with respect to the Funding Loan; (b) such other lender shall have executed and delivered to the Funding Lender the Required Transferee Representations and (c) Funding Lender shall be indemnified by the Borrower for any losses incurred by Funding Lender with respect to the Funding Loan (except losses arising from a Material Funding Lender Event pursuant to (a)(ii) or (b)(ii) of the definition of Material Funding Lender Event or Funding Lender's fraud, gross negligence or willful misconduct as determined by a final non-appealable order of a court of competent jurisdiction). Notwithstanding anything herein to the contrary contained, Funding Lender shall not be liable to the Governmental Lender, the Borrower or successor lender for any loss of tax-exemption, tax or other charge that may be imposed in connection with any such sale or assignment or for any fees and expenses incurred by the Governmental Lender, Borrower or successor lender in connection therewith; nor shall the Funding Lender be liable to the Governmental Lender, Borrower or such successor lender for any special, indirect, consequential, exemplary or punitive damages, all such liability being expressly waived, to the fullest extent permitted by law.

ARTICLE X
AMENDMENT; AMENDMENT OF BORROWER LOAN AGREEMENT AND OTHER DOCUMENTS

Section 10.1. Amendment of Funding Loan Agreement. Any of the terms of this Funding Loan Agreement and the Governmental Lender Note may be amended or waived only by an instrument signed by the Funding Lender and the Governmental Lender, provided, however, no such amendment which materially affects the rights, duties, obligations or other interests of the Borrower shall be made without the consent of the Borrower, and, provided further, that if the Borrower is in default beyond any applicable notice and cure period under any Funding Loan Document to which Borrower is a party, no Borrower consent shall be required unless such amendment has a material adverse effect on the rights, duties, obligations or other interests of the Borrower. All of the terms of this Funding Loan Agreement shall be binding upon the successors and assigns of and all persons claiming under or through the Governmental Lender or any such successor or assign, and shall inure to the benefit of and be enforceable by the successors and assigns of the Funding Lender.

Section 10.2. Amendments Requiring Funding Lender Consent. The Governmental Lender shall not consent to any amendment, change or modification of the Borrower Loan Agreement or any other Borrower Loan Document or Funding Loan Document without the prior Written Consent of the Funding Lender; provided, however, that such prior Written Consent shall not be required with respect to

any such amendment, change or modification undertaken by the Governmental Lender in order to preserve one or more of its Unassigned Rights. Governmental Lender agrees to provide the Funding Lender with prompt notification of any such amendments, modifications or changes not requiring the prior Written Consent of the Funding Lender.

Section 10.3. Consents and Opinions. No amendment to this Funding Loan Agreement or any other Funding Loan Document entered into under this Article X or any amendment, change or modification otherwise permitted under this Article X shall become effective unless and until (i) the Funding Lender shall have approved the same in writing in its sole discretion and (ii) the Funding Lender and the Governmental Lender shall have received, at the expense of the Borrower, a Tax Counsel No Adverse Effect Opinion and an Opinion of Counsel to the effect that any such proposed amendment is authorized and complies with the provisions of this Funding Loan Agreement and is a legal, valid and binding obligation of the parties thereto, subject to normal exceptions relating to bankruptcy, insolvency and equitable principles limitations. No modification or amendment of the terms of the Borrower Loan Agreement or the Borrower Note may be undertaken without the prior Written Consent of the Governmental Lender and the Funding Lender and the provision to the Funding Lender and the Governmental Lender, at the expense of the Borrower, of a Tax Counsel No Adverse Effect Opinion with regard to such proposed modification.

Any consents required pursuant to this Article X from, or on behalf of, the Governmental Lender may be executed by an Authorized City Representative.

ARTICLE XI
MISCELLANEOUS

Section 11.1. Notices.

(a) All notices, demands, requests and other communications required or permitted to be given by any provision of this Funding Loan Agreement shall be in writing and sent by first class, regular, registered or certified mail, commercial delivery service, overnight courier, telegraph, telex, telecopier or facsimile transmission, air or other courier, or hand delivery to the party to be notified addressed as follows.

If to the Governmental Lender:	City of Chicago Department of Housing 121 North LaSalle Street, 10th Floor Chicago, Illinois 60602 Attention: Commissioner, Department of Housing Telephone: (312) 744-4190 Facsimile: (312) 742-2271
and with a copy to:	City of Chicago Office of Corporation Counsel 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division Telephone: (312) 744-0200 Facsimile: (312) 742-0277 (refer to "Finance & Econ. Development Division" on cover sheet)

and with a copy to:	City of Chicago Office of the City Comptroller's Office 33 North LaSalle Street, Suite 600 Chicago, Illinois 60602 Attention: City Comptroller Telephone: (312) 744-7106 Facsimile: (312) 742-6544
If to the Borrower:	Homan Square Apartments Phase IV Holder, LP c/o IFF 333 South Wabash Avenue, Suite 2800 Chicago, Illinois 60664 Attention: _____
and with a copy to:	Homan Square Apartments Phase IV Holder, LP c/o Foundation for Homan Square 906 South Homan Avenue Chicago, Illinois 60624 Attention: _____
and with a copy to:	Husch Blackwell LLP 8001 Forsyth Boulevard, Suite 1500 St. Louis, Missouri 63105 Attention: Joseph Bredehoft
and with a copy to:	Red Stone Equity Holding, LLC 90 Park Avenue, 28th Floor New York, New York 10016 Attention: Chief Executive Officer & Director/Senior Vice President, Legal
and with a copy to:	Applegate & Thorne-Thomsen, P.C. 425 South Financial Place, Suite 1900 Chicago, Illinois 60605 Attention: Bennett P. Applegate, Sr.
If to the Construction Funding Lender:	BMO Bank N.A. 320 South Canal Street, 15th Floor Chicago, Illinois 60601 Attention: Portfolio Manager/Homan Square Apartments Place IV
with a copy to:	Charity & Associates P.C. 20 North Clark Street, Suite 3300 Chicago, Illinois 60602 Attention: Elvin E. Charity

If to the Permanent Funding Lender:	Cedar Rapids Bank and Trust Company 500 First Avenue NE Cedar Rapids, Iowa 52401 Attention: Michael Goerdt E-mail: mgoerdt@crbt.com Telephone: (319) 743-7029
And a copy of any notices of default sent to:	Winthrop & Weinstine, P.A. 225 S. 6th Street, Suite 3500 Capella Tower Minneapolis, Minnesota 55402 Attention: Holly Stocker E-mail: hstocker@winthrop.com Telephone: (612) 604-6490

Any such notice, demand, request or communication shall be deemed to have been given and received for all purposes under this Funding Loan Agreement: (i) three Business Days after the same is deposited in any official depository or receptacle of the United States Postal Service first class, or, if applicable, certified mail, return receipt requested, postage prepaid; (ii) on the date of transmission when delivered by telecopier or facsimile transmission, email, telex, telegraph or other telecommunication device, provided any telecopy or other electronic transmission received by any party after 4:00 p.m., local time, as evidenced by the time shown on such transmission, shall be deemed to have been received the following Business Day; (iii) on the next Business Day after the same is deposited with a nationally recognized overnight delivery service that guarantees overnight delivery; and (iv) on the date of actual delivery to such party by any other means; provided, however, if the day such notice, demand, request or communication shall be deemed to have been given and received as aforesaid is not a Business Day, such notice, demand, request or communication shall be deemed to have been given and received on the next Business Day; and provided further that notice to the Governmental Lender shall not be deemed to have been given until actually received by the Governmental Lender. Any facsimile, PDF or DocuSign signature by a Person on a document, notice, demand, request or communication required or permitted by this Funding Loan Agreement shall constitute a legal, valid and binding execution thereof by such Person.

Any party to this Funding Loan Agreement may change such party's address for the purpose of notice, demands, requests and communications required or permitted under this Funding Loan Agreement by providing written notice of such change of address to all of the parties by written notice as provided herein.

Section 11.2. Term of Funding Loan Agreement. This Funding Loan Agreement shall be in full force and effect until all payment obligations of the Governmental Lender hereunder have been paid in full and the Funding Loan has been retired or the payment thereof has been provided for (such payment or provision to be solely from the Security set forth in Article IV hereof as further provided in Section 8.8 hereof); except that on and after the indefeasible payment in full of the Governmental Lender Note, this Funding Loan Agreement shall be terminated, without further action by the parties hereto.

Section 11.3. Successors and Assigns. All covenants and agreements in this Funding Loan Agreement by the Governmental Lender shall bind its successors and assigns, whether so expressed or not.

Section 11.4. Legal Holidays. In any case in which the date of payment of any amount due hereunder or the date on which any other act is to be performed pursuant to this Funding Loan Agreement shall be a day that is not a Business Day, then payment of such amount or such act need not be made on

such date but may be made on the next succeeding Business Day, and such later payment or such act shall have the same force and effect as if made on the date of payment or the date fixed for prepayment or the date fixed for such act, and no additional interest shall accrue for the period after such date and prior to the date of payment.

Section 11.5. Governing Law. This Funding Loan Agreement shall be governed by and shall be enforceable in accordance with the laws of the State.

Section 11.6. Severability. If any provision of this Funding Loan Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions shall not in any way be affected or impaired. In case any covenant, stipulation, obligation or agreement contained in the Governmental Lender Note or in this Funding Loan Agreement shall for any reason be held to be usurious or in violation of law, then such covenant, stipulation, obligation or agreement shall be deemed to be the covenant, stipulation, obligation or agreement of the Governmental Lender or the Funding Lender only to the full extent permitted by law.

Section 11.7. Execution in Several Counterparts. This Funding Loan Agreement may be contemporaneously executed in several counterparts, all of which shall constitute one and the same instrument and each of which shall be, and shall be deemed to be, an original.

Section 11.8. Nonrecourse Obligation of the Borrower. Except as otherwise provided in the Borrower Loan Agreement, any obligations of the Borrower under this Funding Loan Agreement are without recourse to the Borrower or to the Borrower's partners, as the case may be, and the provisions of Section 11.1 of the Borrower Loan Agreement are by this reference incorporated herein.

Section 11.9. Reserved.

Section 11.10. Electronic Transactions. The transactions described in this Funding Loan Agreement may be conducted, and related documents and may be stored, by electronic means. Copies, telecopies, facsimiles, PDFs, DocuSign, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 11.11. Reference Date. This Funding Loan Agreement is dated for reference purposes only as of the first day of _____, 2025.

Section 11.12. Rights of Construction Funding Lender Prior to Conversion. The Permanent Funding Lender shall have no rights or obligations under this Funding Loan Agreement until after Conversion and the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender pursuant to the Forward Bond Purchase Agreement. Until Conversion and the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender, Construction Funding Lender shall be deemed to be the sole Funding Lender hereunder and shall have the sole and exclusive rights in the Security pledged as collateral for the Funding Loan Pursuant to Section 4.1 hereof and the sole and exclusive right to exercise any rights of Funding Lender hereunder, including the right to modify, amend or supplement this Funding Loan Agreement and to grant any waivers or other indulgences under this Funding Loan Agreement or the other Funding Loan Documents and to determine compliance with any terms or conditions under this Funding Loan Agreement or the other Funding Loan Documents and to declare any default or Event of Default under this Funding Loan Agreement or under any of the other Funding Loan Documents and to

exercise any remedies of Funding Lender under this Funding Loan Agreement or under any of the other Funding Loan Documents.

IN WITNESS WHEREOF, the Funding Lender and the Governmental Lender have caused this Funding Loan Agreement to be duly executed as of the date first written above.

BMO BANK N.A.,
as Construction Funding Lender

By: _____
Name: _____
Title: _____

CEDAR RAPIDS BANK & TRUST COMPANY,
as Permanent Funding Lender

By: _____
Michael Goerdt
Vice President

CITY OF CHICAGO

By: _____
Name: Jill Jaworski
Title: Chief Financial Officer

[SEAL]

Attest:

By: _____
Name: Andrea M. Valencia
Title: City Clerk

(Sub)Exhibits "A" and "B" referred to in this Funding Loan Agreement read as follows:

(Sub)Exhibit "A".
(To Funding Loan Agreement)

Form Of Governmental Lender Note.

This Note May Be Owned Only By A Permitted Transferee In Accordance With The Terms Of The Funding Loan Agreement, And The Holder Hereof, By The Acceptance Of This Funding Loan Agreement (A) Represents That It Is A Permitted Transferee And (B) Acknowledges That It Can Only Transfer This Governmental Lender Note To Another Permitted Transferee In Accordance With The Terms Of The Funding Loan Agreement.

City Of Chicago.

$19,000,000 Multifamily Mortgage Revenue Note 2025 Series A.
(Homan Square Apartments Phase IV)

Dated _____, 2025 not to exceed $19,000,000

For Value Received, the undersigned City of Chicago ("Obligor") promises to pay to the order of BMO Bank N.A. ("Holder") the maximum principal sum of Nineteen Million and no/100 Dollars $19,000,000, on _____ 1, 204_, or earlier as provided herein, together with interest thereon at the rates, at the times and in the amounts provided below.

Obligor shall pay to the Holder on or before each date on which payment is due under that certain Funding Loan Agreement, dated as of _____ 1, 2025 (the "Funding Loan Agreement"), between Obligor and Holder, an amount in immediately available funds sufficient to pay the principal amount of and Prepayment Premium, if any, on the Funding Loan then due and payable, whether by maturity, acceleration, prepayment or otherwise. In the event that amounts held derived from proceeds of the Borrower Loan, condemnation awards or insurance proceeds or investment earnings thereon are applied to the payment of principal due on the Funding Loan in accordance with the Funding Loan Agreement, the principal amount due hereunder shall be reduced to the extent of the principal amount of the Funding Loan so paid. Capitalized terms not otherwise defined herein shall have the meaning assigned in the Funding Loan Agreement.

Obligor shall pay to the Holder on or before each date on which interest on the Funding Loan is payable interest on the unpaid balance hereof in an amount in immediately available funds sufficient to pay the interest on the Funding Loan then due and payable in the amounts and at the rate or rates set forth in the Funding Loan Agreement.

The Funding Loan and this Governmental Lender Note are pass-through obligations relating to a construction loan (the "Borrower Loan") made by Obligor from proceeds of the Funding Loan to Homan Square Apartments Phase IV Holder, L.P., an Illinois limited partnership, as borrower (the "Borrower"), under that certain Borrower Loan Agreement, dated as of _____ 1, 2025 (as the same may be modified, amended or supplemented from time to time, the "'Borrower Loan Agreement"), between the Obligor and the Borrower, evidenced by the Borrower Note (as defined in the Borrower Loan, Agreement). Reference is made to the Borrower Loan Agreement and to the Borrower Note for complete payment and prepayment terms of the Borrower Note, payments on which are passed-through under the Governmental Lender Note.

This Governmental Lender Note is a limited obligation of the Obligor, payable solely from the Pledged Revenues and other funds and moneys and Security pledged and assigned under the Funding Loan Agreement. This Governmental Lender Note is not a general obligation of the Governmental Lender or a charge against its general credit or the general credit taxing powers of the State, the Governmental Lender, or any other political subdivision thereof, and shall never give rise to any pecuniary liability or the Governmental Lender, and neither the Governmental Lender, the State nor any other political subdivision thereof shall be liable for the payments of principal of and, premium, if any, and interest on this Governmental Lender Note, and the Governmental Lender Note is payable from no other source, but are special, limited obligations of the Governmental Lender, payable solely out of the security pledged hereunder and receipts of the Governmental Lender derived pursuant to this Funding Loan Agreement. No holder of this Governmental Lender Note or any interest therein has the right to compel any exercise of the taxing power of the State, the Governmental Lender or any other political subdivision thereof to pay the Governmental Lender Note or the interest or premium, if any, thereon.

All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Funding Loan Agreement or in the Borrower Loan Agreement.

This Governmental Lender Note is subject to the express condition that at no time shall interest be payable on this Governmental Lender Note or the Funding Loan at a rate in excess of the Maximum Rate provided in the Funding Loan Agreement; and Obligor shall not be obligated or required to pay, nor shall the Holder be permitted to charge or collect, interest at a rate in excess of such Maximum Rate. If by the terms of this Governmental Lender Note or of the Funding Loan Agreement, Obligor is required to pay interest at a rate in excess of such Maximum Rate, the rate of interest hereunder or thereunder shall be deemed to be reduced immediately and automatically to such Maximum Rate, and any such excess payment previously made shall be immediately and automatically applied to the unpaid balance of the principal sum hereof and not to the payment of interest.

Amounts payable hereunder representing late payments, penalty payments or the like shall be payable to the extent allowed by law.

This Governmental Lender Note is subject to all of the terms, conditions, and provisions of the Funding Loan Agreement, including those respecting prepayment and the acceleration of maturity.

If there is an Event of Default under the Funding Loan Documents, then in any such event and subject to the requirements set forth in the Funding Loan Agreement, the Holder may declare the entire unpaid principal balance of this Governmental Lender Note and accrued interest, if any, due and payable at once. All of the covenants, conditions and agreements contained in the Funding Loan Documents are hereby made part of this Governmental Lender Note.

No delay or omission on the part of the Holder in exercising any remedy, right or option under this Governmental Lender Note or the Funding Loan Documents shall operate as a waiver of such remedy, right or option. In any event a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The rights, remedies and options of the Holder under this Governmental Lender Note and the Funding Loan Documents are and shall be cumulative and are in addition to all of the rights, remedies and options of the Holder at law or in equity or under any other agreement.

Obligor shall pay all costs of collection on demand by the Holder, including without limitation, reasonable attorneys' fees and disbursements, which costs may be added to the indebtedness hereunder, together with interest thereon, to the extent allowed by law, as set forth in the Funding Loan Agreement.

This Governmental Lender Note may not be changed orally. Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived. The acceptance by the Holder of any amount after the same is due shall not constitute a waiver of the right to require prompt payment, when due, of all other amounts due hereunder. The acceptance by the Holder of any sum in an amount less than the amount then due shall be deemed an acceptance on account only and upon condition that such acceptance shall not constitute a waiver of the obligation of Obligor to pay the entire sum then due, and Obligor's failure to pay such amount then due shall be and continue to be a default notwithstanding such acceptance of such amount on account, as aforesaid. Consent by the Holder to any action of Obligor which is subject to consent or approval of the Holder hereunder shall not be deemed a waiver of the right to require such consent or approval to future or successive actions.

In Witness Whereof, The undersigned has duly executed and delivered this Governmental Lender Note or caused this Governmental Lender Note to be duly executed and delivered by its authorized representative as of the date first set forth above.

The undersigned intends that this instrument shall be deemed to be signed and delivered as a sealed instrument.

Obligor:

City of Chicago

By: _____

Name: Jill Jaworski

Title: Chief Financial Officer

(Seal)

Attest:

By: _____

Name: Andrea M. Valencia

Title: City Clerk

(Sub)Exhibit "B".
(To Funding Loan Agreement)

Form Of Required Transferee Representations.

[_____, 20__]

The undersigned, as holder (the "Holder" or the "Funding Lender") of the not to exceed $19,000,000 Multifamily Mortgage Revenue Construction Note, 2025 Series A (Homan Square Apartments Phase IV), dated as of the Closing Date (the "Governmental Lender Note") issued pursuant to an Ordinance adopted on _____, 2025 (the "Ordinance") by the City of Chicago (the "Governmental Lender") and under a Funding Loan Agreement dated as of _____ 1, 2025 (the "Funding Loan Agreement") between the Governmental Lender and Holder, as Funding Lender, hereby represents that:

1. The Funding Lender hereby acknowledges the execution and delivery of the Governmental Lender Note in the original aggregate principal amount of up to $19,000,000.

2. The Funding Lender has authority to make the Funding Loan and to execute and deliver these representations and any other instrument and documents required to be executed by the Funding Lender in connection with the execution and delivery of the Governmental Lender Note.

3. The Holder has sufficient knowledge and experience in financial and business matters with respect to the evaluation of residential real estate developments such as the Project to be able to evaluate the risk and merits of the investment represented by the Governmental Lender Note. We are able to bear the economic risks of such investment.

4. The Holder acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable lender would attach significance in making investment decisions, and the Holder has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the Governmental Lender, the Project, the use of proceeds of the Governmental Lender Note, the Funding Loan Agreement and the Funding Loan and the security therefor so that, as a reasonable lender, the Holder has been able to make its decision to extend the Funding Loan [or an interest therein] and purchase the Governmental Lender Note [or an interest therein]. The Funding Lender understands that the Governmental Lender Note and the Borrower Loan Agreement are not registered under the Securities Act of 1933, as amended, and that such registration is not legally required as of the date hereof; and further understands that the Governmental Lender Note and the Borrower Loan Agreement: (i) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state; (ii) will not be listed in any stock or other securities exchange; (iii) will not carry a rating from any rating service; and (iv) will be delivered in a form which is not readily marketable. The Holder acknowledges that it has not relied upon the Governmental Lender for any information in connection with the Holder's purchase of the Governmental Lender Note [or an interest therein].

5. The Holder is an Approved Transferee (as defined in the Funding Loan Agreement).

6. The Holder acknowledges that it is purchasing [an interest in] the Governmental Lender Note for investment for its own account and not with a present view toward resale or the distribution thereof, in that we do not now intend to resell or otherwise dispose of all or any part of our interests in the Governmental Lender Note. Subject to paragraph 7 below, the Funding Lender acknowledges and agrees that the Governmental Lender Note, or interests therein, can be sold and subsequently transferred only to purchasers that execute and deliver to the Governmental Lender representations from the transferee to substantially the same effect as these required transferee representations or in such other form authorized under the Funding Loan Agreement with no revisions except as may be approved in writing by the Governmental Lender.

7. In the event any placement memorandum to be provided to any subsequent buyer or beneficial owner of such portion of the Governmental Lender Note will disclose information with respect to the Governmental Lender other than Its name, location and type of political subdivision and general information with respect to the Funding Loan and Borrower Loan and related documents, the Holder will provide the Governmental Lender

with a draft of such placement memorandum and the Governmental Lender shall have the right to approve any description of the Governmental Lender therein (which approval shall not be unreasonably withheld).

8. The Funding Lender understands that the Governmental Lender Note is a limited obligation of the Governmental Lender; payable solely from funds and moneys pledged and assigned under the Funding Loan Agreement, and that the liabilities and obligations of the Governmental Lender with respect to the Governmental Lender Note are expressly limited as set forth in the Funding Loan Agreement and related documents. The Funding Lender acknowledges that the Governmental Lender Note is not an indebtedness of the Governmental Lender or a charge against its general credit or the general credit taxing powers of the State, the Governmental Lender, or any other political subdivision thereof, and shall never give rise to any pecuniary liability of the Governmental Lender, and neither the Governmental Lender, the State nor any other political subdivision thereof shall be liable for the payments of principal of and, premium, if any, and interest on the Governmental Lender Note, and the Governmental Lender Note is payable from no other source, but are special, limited obligations of the Governmental Lender, payable solely out of the Security and receipts of the Governmental Lender derived pursuant to the Funding Loan Agreement and the Borrower Loan Agreement. The Funding Lender acknowledges that no holder of the Governmental Lender Note or any interest therein, has the right to compel any exercise of the taxing power of the State, the Governmental Lender or any other political subdivision thereof to pay the Governmental Lender Note or the interest or premium, if any, thereon.

9. Capitalized terms used herein and not otherwise defined have the meanings given such terms in the Funding Loan Agreement.

BMO Bank N.A., as Holder

By: _____

Name: _____

Its: _____

Cedar Rapid Bank & Trust Company

By: _____

Name: _____

Its: _____

Exhibit "C".
(To Ordinance)

BORROWER LOAN AGREEMENT

Between

CITY OF CHICAGO,
as Governmental Lender,

and

HOMAN SQUARE APARTMENTS PHASE IV HOLDER, LP,
an Illinois limited partnership,
as Borrower

Dated as of _____ 1, 2025

Relating to:

$19,000,000
CITY OF CHICAGO
MULTIFAMILY MORTGAGE REVENUE NOTE
2025 SERIES A
(HOMAN SQUARE APARTMENTS PHASE IV)

(Funding Loan originated by BMO BANK N.A.,
as Construction Funding Lender and
CEDAR RAPIDS BANK & TRUST COMPANY,
as Permanent Funding Lender)

The interest of the City of Chicago (the "Governmental Lender") in this Borrower Loan Agreement (except for certain rights described herein) has been pledged and assigned to BMO Bank N.A., as Construction Funding Lender. In accordance with the Forward Bond Purchase Agreement, upon the satisfaction of the Conversion Conditions, Construction Funding Lender will assign to Cedar Rapids Bank & Trust Company, as Permanent Funding Lender all of its right, title and interest in and to the Governmental Lender Note and this Borrower Loan Agreement. As provided by Section 10.11 hereof, prior to Conversion, the Construction Funding Lender shall be deemed to be the sole Funding Lender hereunder and under that certain Funding Loan Agreement, of even date herewith, by and between the Governmental Lender and the Funding Lenders, under which the Construction Funding Lender is originating a loan to the Governmental Lender the proceeds of which are to be used to fund the Borrower Loan made under this Borrower Loan Agreement.

THIS BORROWER LOAN AGREEMENT (this "**Borrower Loan Agreement**") is entered into as of the first day of _____ 1, 2025, between the **CITY OF CHICAGO**, a municipality and home rule unit of local government duly organized and validly existing under the constitution and laws of the State of Illinois (together with its successors and assigns, the "**Governmental Lender**"), and **HOMAN SQUARE APARTMENTS PHASE IV HOLDER, LP**, an Illinois partnership (together with its successors and assigns, the "**Borrower**").

WITNESSETH:

RECITALS

WHEREAS, the Governmental Lender has been duly created and organized pursuant to and in accordance with the provisions of Article VII, Section 6 of the 1970 Constitution of the State of Illinois, for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe and sanitary housing for persons of low and moderate income at prices or rentals they can afford; and

WHEREAS, the Governmental Lender is authorized: (a) to make loans to any person to provide financing for rental residential developments located within the jurisdiction of the Governmental Lender and intended to be occupied in part by persons of low and moderate income, as determined by the Governmental Lender; (b) to incur indebtedness for the purpose of obtaining moneys to make such loans and provide such financing, to establish necessary reserve funds and to pay administrative costs and other costs incurred in connection with the incurrence of such indebtedness of the Governmental Lender; and (c) to pledge all or any part of the revenues, receipts or resources of the Governmental Lender, including the revenues and receipts to be received by the Governmental Lender from or in connection with such loans, and to mortgage, pledge or grant security interests in such loans or other property of the Governmental Lender in order to secure the payment of the principal or redemption price of and interest on such indebtedness of the Governmental Lender; and

WHEREAS, the Borrower has applied to the Governmental Lender for a loan for the acquisition, rehabilitation, development, and equipping of six multifamily residential buildings located in the City of Chicago, Cook County, Illinois, known or to be known as Homan Square Apartments Phase IV, located at 3645, 3621 and 3607 West Polk Street, 906 and 908 South Central Park Avenue and 921 South Lawndale Avenue in the City of Chicago (together, the "**Project**"); and

WHEREAS, the Borrower's repayment obligations under this Borrower Loan Agreement are evidenced by the Borrower Note, as defined herein; and

WHEREAS, the Borrower has requested the Governmental Lender to enter into that certain Funding Loan Agreement, of even date herewith (the "**Funding Loan Agreement**"), by and among the Governmental Lender and BMO Bank N.A., as Construction Funding Lender and Cedar Rapids Bank & Trust Company, as Permanent Funding Lender (the "**Funding Lenders**"), under which the Construction Funding Lender will make a construction loan to the Borrower and the Permanent Funding Lender will acquire the outstanding principal amount of the Governmental Lender Note after the conversion conditions have been met (collectively, the "**Funding Loan**") in connection with which the Governmental Lender will issue the Governmental Lender Note, the proceeds of which will be loaned under this Borrower Loan Agreement to the Borrower to finance the acquisition, rehabilitation, development, equipping and/or operation of the Project; and;

WHEREAS, the Borrower Loan (defined below) will be secured by certain mortgages, assignments and other instruments securing the Construction Funding Lender and the Permanent Funding Lender, respectively (collectively, the "**Security Instruments**"), encumbering the Project, and the Funding Loan will be advanced by the Construction Funding Lender to Borrower pursuant to this Borrower Loan Agreement and the Construction Funding Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I
DEFINITIONS; PRINCIPLES OF CONSTRUCTION

Section 1.1. Specific Definitions. For all purposes of this Borrower Loan Agreement, except as otherwise expressly provided or unless the context otherwise requires:

Unless specifically defined herein, all capitalized terms shall have the meanings ascribed thereto in the Security Instrument or, if not defined in the Security Instrument, in the Funding Loan Agreement.

All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with GAAP.

All references in this instrument to designated "Articles," "Sections" and other subdivisions are to the designated Articles, Sections and subdivisions of this instrument as originally executed.

All references in this instrument to a separate instrument are to such separate instrument as the same may be amended or supplemented from time to time pursuant to the applicable provisions thereof.

Unless otherwise specified, (i) all references to sections and schedules are to those in this Borrower Loan Agreement, (ii) the words "hereof," "herein" and "hereunder" and words of similar import refer to this Borrower Loan Agreement as a whole and not to any particular provision, (iii) all definitions are equally applicable to the singular and plural forms of the terms defined and (iv) the word "including" means "including but not limited to."

Section 1.2. Definitions. The following terms, when used in this Borrower Loan Agreement (including when used in the above recitals), shall have the following meanings:

"**Act of Bankruptcy**" shall mean the filing of a petition in bankruptcy (or any other commencement of a bankruptcy or similar proceeding) under any applicable bankruptcy, insolvency, reorganization, or similar law, now or hereafter in effect; provided that, in the case of an involuntary proceeding, such proceeding is not dismissed within ninety (90) days after the commencement thereof.

"**ADA**" shall have the meaning set forth in Section 4.1.38 hereof.

"**Additional Borrower Payments**" shall mean the payments payable pursuant to Section 2.5 (Additional Borrower Payments), Section 2.6 (Overdue Payments; Payments in Default), Section 2.5 of the Construction Funding Agreement (Required Prepayments of Borrower Loan), Section 7.1 of the Construction Funding Agreement (Loans in Balance), Section 5.14 (Expenses) and Section 10 of the Borrower Note (Voluntary and Involuntary Prepayments).

"**Agreement of Environmental Indemnification**" shall mean any Environmental Indemnity Agreement, executed by the Borrower and Guarantor for the benefit of the Funding Lender and any lawful holder, owner or pledgee of the Borrower Note from time to time.

"**Architect**" shall mean any licensed architect, space planner or design professional that Borrower may engage from time to time, with the approval of Construction Funding Lender, to design any portion of the Improvements, including the preparation of the Plans and Specifications.

"**Architect's Agreement**" means any agreement that Borrower and any Architect from time to time may execute pursuant to which Borrower engages such Architect to design any portion of the Improvements, including the preparation of the Plans and Specifications, as approved by Construction Funding Lender.

"**Authorized Borrower Representative**" shall mean a person at the time designated and authorized to act on behalf of the Borrower by a written certificate furnished to the Governmental Lender, the Funding Lender and the Servicer and containing the specimen signature of such person and signed on behalf of the Borrower by its Borrower Controlling Entity which certificate may designate one or more alternates.

"**Bankruptcy Code**" shall mean the United States Bankruptcy Reform Act of 1978, as amended from time to time, or any substitute or replacement legislation.

"**Bankruptcy Proceeding**" shall have the meaning set forth in Section 4.1.8 hereof.

"**Beneficiary Parties**" shall mean, collectively, the Funding Lenders and the Governmental Lender.

"**Borrower**" shall have the meaning set forth in the recitals to this Borrower Loan Agreement.

"**Borrower Controlling Entity**" shall mean, if the Borrower is a partnership, any general partner or managing partner of the Borrower, or if the Borrower is a limited liability company, the manager or managing member of the Borrower, or if the Borrower is a not for profit corporation, the shareholders thereof.

"**Borrower Deferred Equity**" shall mean the Equity Contributions to be made by the Equity Investor to Borrower pursuant to the Partnership Agreement other than Borrower Initial Equity.

"**Borrower Initial Equity**" shall mean an initial installment of the Equity Contributions made to Borrower by the Equity Investor to be made on or prior to the Closing Date.

"**Borrower Loan**" shall mean the mortgage loan made by the Governmental Lender to the Borrower pursuant to this Borrower Loan Agreement, in the maximum principal amount of the Borrower Loan Amount, as evidenced by the Borrower Note.

"**Borrower Loan Agreement**" shall mean this Borrower Loan Agreement.

"**Borrower Loan Amount**" shall mean not to exceed $19,000,000, the original maximum aggregate principal amount of the Borrower Note.

"**Borrower Loan Documents**" shall mean this Borrower Loan Agreement, the Construction Funding Agreement, the Borrower Note, any Security Instrument, and all other documents or agreements evidencing or relating to the Borrower Loan.

"**Borrower Loan Payment Date**" shall mean (i) the date upon which regularly scheduled Borrower Loan Payments are due pursuant to the Borrower Note, or (ii) any other date on which the Borrower Note is prepaid or paid, whether at the scheduled maturity or upon the acceleration of the maturity thereof.

"**Borrower Loan Payments**" shall mean the monthly loan payments payable pursuant to the Borrower Note.

"**Borrower Loan Proceeds**" shall mean proceeds of the Borrower Loan, to be disbursed in accordance with Section 2.10 of this Borrower Loan Agreement and the Construction Funding Agreement.

"**Borrower Note**" shall mean that certain Promissory Note dated as of the Closing Date in the original maximum principal amount not to exceed $19,000,000 made by Borrower and payable to Governmental Lender, as endorsed and assigned by Governmental Lender to the Construction Funding Lender contemporaneously herewith, with the expectation that the Borrower Note shall be further endorsed and assigned by Construction Funding Lender to the Permanent Funding Lender at Conversion, as it may be amended, supplemented or replaced from time to time.

"**Borrower Payment Obligations**" shall mean all payment obligations of the Borrower under the Borrower Loan Documents, including, but not limited to, the Borrower Loan Payments and the Additional Borrower Payments.

"**Business Day**" shall mean any day other than (i) a Saturday or Sunday, or (ii) a day on which federally insured depository institutions in New York, New York, Chicago, Illinois or the cities in which the offices of the Funding Lender are located are authorized or obligated by law, regulation, governmental decree or executive order to be closed.

"**Calendar Month**" shall mean each of the twelve (12) calendar months of the year.

"**Cap Documents**" means that certain ISDA Master Agreement (2002), any rate cap agreement or similar agreement providing for an interest rate cap and reasonably acceptable to the Funding Lender by and between the Borrower and a cap provider acceptable to the Funding Lender including all schedules, credit support annexes, confirmation letters, and pledge and assignment documents executed in connection therewith, as well as any amendments, modifications or replacements thereof.

"**CC&R's**" shall mean any covenants, conditions, restrictions, maintenance agreements or reciprocal easement agreements affecting the Project.

"**City**" shall mean the City of Chicago, Illinois.

"**Closing Date**" shall mean _____, 2025, the date that the initial Borrower Loan Proceeds are disbursed hereunder.

"**Code**" shall mean the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date,

together with applicable proposed, temporary and final regulations promulgated, and applicable official public guidance published, under the Code.

"**Collateral**" shall mean all collateral described in (i) this Borrower Loan Agreement (including, without limitation, all property in which the Funding Lenders are granted a security interest pursuant to any provision of this Borrower Loan Agreement), (ii) the Security Instrument, (iii) the Cap Documents, or (iv) any other security document, which Collateral shall include the Project, all of which collateral is pledged and assigned to Funding Lenders under the Funding Loan Agreement to secure the Funding Loan.

"**Completion**" shall have the meaning set forth in Section 5.25.

"**Completion Date**" shall mean _____,

"**Computation Date**" shall have the meaning ascribed thereto in Section 1.148-3(e) of the Regulations.

"**Condemnation**" shall mean any action or proceeding or notice relating to any proposed or actual condemnation or other taking, or conveyance in lieu thereof, of all or any part of the Project, whether direct or indirect.

"**Construction Consultant**" shall mean a third-party architect or engineer selected and retained by Construction Funding Lender, at the cost and expense of Borrower, to monitor the progress of rehabilitation of the Project and to inspect the Improvements to confirm compliance with this Borrower Loan Agreement.

"**Construction Contract**" shall mean any agreement that Borrower and any Contractor from time to time may execute pursuant to which Borrower engages the Contractor to construct any portion of the Improvements, as approved by the Construction Funding Lender.

"**Construction Escrow Agreement**" shall mean that certain [Construction Escrow Agreement], dated _____, 2025, among the Title Company named therein, in its capacity as escrow agent, Governmental Lender, the Construction Funding Lender, certain subordinate lenders named therein, and Borrower, as such agreement may be amended, modified, supplemented and replaced from time to time.

"**Construction Funding Agreement**" means that certain Construction Funding Agreement of even date herewith, between the Construction Funding Lender, as agent for the Governmental Lender, and Borrower, pursuant to which the Borrower Loan will be advanced by the Construction Funding Lender (or the Servicer on its behalf), as agent of the Governmental Lender, to the Borrower and setting forth certain provisions relating to disbursement of the Borrower Loan during construction, insurance and other matters, as such agreement may be amended, modified, supplemented and replaced from time to time.

"**Construction Funding Lender**" means BMO Bank N.A., a national banking association.

"**Construction Schedule**" shall mean a schedule of construction progress with the anticipated commencement and completion dates of each phase of rehabilitation and the anticipated date and amounts of each Disbursement for the same, as approved by the Construction Funding Lender, as assignee of the Governmental Lender.

"**Contingency Draw-Down Agreement**" means the Contingency Draw-Down Agreement of even date herewith, between the Construction Funding Lender and the Borrower relating to possible conversion of the Funding Loan from a draw down loan to a fully funded loan.

"**Continuing Disclosure Agreement**" shall mean that certain Continuing Disclosure Agreement of even date herewith, between the Borrower and the Construction Funding Lender (as the same may be replaced by a Continuing Disclosure Agreement between the Borrower and the Permanent Funding Lender), pursuant to which the Borrower agrees to provide certain information with respect to the Project, the Borrower and the Funding Loans subsequent to the Closing Date, as amended, supplemented or restated from time to time.

"**Contractor**" shall mean any licensed general contractor or subcontractor that Borrower may directly engage from time to time, with the approval of the Construction Funding Lender, to rehabilitate any portion of the Improvements.

"**Contractual Obligation**" shall mean, for any Person, any debt or equity security issued by that Person, and any indenture, mortgage, deed of trust, contract, undertaking, instrument or agreement (written or oral) to which such Person is a party or by which it is bound, or to which it or any of its assets is subject.

"**Conversion**" shall mean the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender in accordance with the Forward Bond Purchase Agreement.

"**Conversion Conditions**" shall have the meaning ascribed thereto in the Forward Bond Purchase Agreement.

"**Conversion Date**" shall mean the date of Conversion to be designated by Permanent Funding Lender once the Conversion Conditions have been satisfied, the determination of the Permanent Loan Purchase Price has been made and any Pre-Conversion Loan Equalization Payment in accordance with Section 3.3 hereof and the Forward Bond Purchase Agreement have been made. The Conversion Date must occur no later than the Outside Conversion Date

"**Cost Breakdown**" shall mean the schedule of costs for the Improvements, as set forth in the Construction Funding Agreement, and as the same may be amended from time to time with Construction Funding Lender's consent.

"**Costs of Funding**" shall mean the Governmental Lender's Closing Fee and the fees, costs, expenses and other charges incurred in connection with the funding of the Borrower Loan and the Funding Loan, the negotiation and preparation of this Borrower Loan Agreement and each of the other Borrower Loan Documents and Funding Loan Documents and shall include, but shall not be limited to, the following: (i) counsel fees (including but not limited to Tax Counsel, counsel to the Governmental Lender, Borrower's counsel, and Funding Lenders' counsel); (ii) financial advisor fees incurred in connection with the closing of the Borrower Loan and the Funding Loan; (iii) certifying and authenticating agent fees and expenses related to funding of the Funding Loan; (iv) printing costs (for any preliminary and final offering materials relating to the Funding Loan); (v) any recording fees; (vi) any additional fees charged by the Governmental Lender; and (vii) costs incurred in connection with the required public notices generally and costs of the public hearing.

"**Costs of Funding Deposit**" shall mean the amount required to be deposited by the Borrower with the Title Company (or a separate escrow company, if applicable) to pay Costs of Funding in connection with the closing of the Borrower Loan and the Funding Loan on the Closing Date.

"**Cost of Improvements**" shall mean the costs for the Improvements, as set forth on the Cost Breakdown.

"**County**" shall mean Cook County, Illinois.

"**Date of Disbursement**" shall mean the date of a Disbursement.

"**Day**" or "**Days**" shall mean calendar days unless expressly stated to be Business Days.

"**Debt**" shall mean, as to any Person, any of such Person's liabilities, including all indebtedness (whether recourse and nonrecourse, short term and long term, direct and contingent), all committed and unfunded liabilities, and all unfunded liabilities, that would appear upon a balance sheet of such Person prepared in accordance with GAAP.

"**Default Rate**" shall have the meaning given to that term in the Borrower Note.

"**Determination of Taxability**" shall mean (i) a determination by the Commissioner or any District Director of the Internal Revenue Service, (ii) a private ruling or Technical Advice Memorandum concerning the Governmental Lender Note issued by the National Office of the Internal Revenue Service in which Governmental Lender and Borrower were afforded the opportunity to participate, (iii) a determination by any court of competent jurisdiction, (iv) the enactment of legislation or (v) receipt by the Funding Lenders, at the request of the Governmental Lender, the Borrower or the Funding Lenders, of an opinion of Tax Counsel, in each case to the effect that the interest on the Governmental Lender Note is includable in gross income for federal income tax purposes of any holder or any former holder of all or a portion of the Governmental Lender Note, other than a holder who is a "substantial user" of the Project or a "related person" (as such terms are defined in Section 147(a) of the Code) to a "substantial user"; provided, however, that no such Determination of Taxability under clause (i) or (iii) shall be deemed to have occurred if the Governmental Lender (at the sole expense of the Borrower), the Funding Lender (at the sole expense of the Borrower) or the Borrower is contesting such determination, has elected to contest such determination in good faith and is proceeding with all applicable dispatch to prosecute such contest until the earliest of (a) a final determination from which no appeal may be taken with respect to such determination, (b) abandonment of such appeal by the Governmental Lender or the Borrower, as the case may be, or (c) one year from the date of initial determination.

"**Developer Fee**" shall mean the fees and/or compensation payable to _____ _____ in the amount of $_____, which fees and/or compensation shall not be paid prior to the Conversion Date, except as otherwise permitted pursuant to Section 6.13(b).

"**Disbursement**" means a disbursement of Borrower Loan Proceeds and Other Borrower Moneys pursuant to this Borrower Loan Agreement and the Construction Funding Agreement.

"**Engineer**" shall mean any licensed civil, structural, mechanical, electrical, soils, environmental or other engineer that Borrower may engage from time to time, with the approval of the Construction Funding Lender, to perform any engineering services with respect to any portion of the Improvements.

"**Engineer's Contract**" shall mean any agreement that Borrower and any Engineer from time to time may execute pursuant to which Borrower engages such Engineer to perform any engineering services with respect to any portion of the Improvements, as approved by Funding Lender.

"**Equipment**" shall have the meaning given to such term in the Security Instrument.

"**Equity Contributions**" shall mean the equity to be contributed by, or on behalf of, the Equity Investor to Borrower, in accordance with and subject to the terms of the Partnership Agreement.

"**Equity Investor**" shall mean Red Stone Equity Holding, LLC, a Delaware limited liability company and its successors and assigns.

"**ERISA**" shall mean the Employment Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated hereunder.

"**ERISA Affiliate**" shall mean all members of a controlled group of corporations and all trades and business (whether or not incorporated) under common control and all other entities which, together with the Borrower, are treated as a single employer under any or all of Section 414(b), (c), (m) or (o) of the Code.

"**Event of Default**" shall mean any Event of Default set forth in Section 8.1 of this Borrower Loan Agreement. An Event of Default shall "exist" if a Potential Default shall have occurred and be continuing beyond any applicable cure period.

"**Excess Revenues**" means, for any period, the net cash flow of the Borrower available for distribution to shareholders, members or partners (as the case may be) for such period, after the payment of principal and interest on all indebtedness coming due during such period (whether in installments or at maturity, by acceleration or otherwise), the payment of all fees, costs and expenses on an occasional or recurring basis in connection with the Borrower Loan or the Funding Loan, the payment of all operating, overhead, ownership and other expenditures of the Borrower directly or indirectly in connection with the Project (whether any such expenditures are current, capital or extraordinary expenditures), and the setting aside of all reserves for taxes, insurance, water and sewer charges or other similar impositions, capital expenditures, repairs and replacements and all other amounts which the Borrower is required to set aside pursuant to the Partnership Agreement, the Subordinate Loan Documents or any other agreement relating to the Mortgaged Property, but excluding depreciation and amortization of intangibles.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Expenses of the Project**" shall mean, for any period, the current expenses, paid or accrued, for the operation, maintenance and current repair of the Project, as calculated in accordance with GAAP, and shall include, without limiting the generality of the foregoing, salaries, wages, employee benefits, cost of materials and supplies, costs of routine repairs, renewals, replacements and alterations occurring in the usual course of business, costs and expenses properly designated as capital expenditures (e.g., repairs which would not be payable from amounts on deposit in a repair and replacement fund held pursuant to the Borrower Loan Documents), a management fee (however characterized) not to exceed 8.0% of Gross Income, costs of billings and collections, costs of insurance, and costs of audits and any mandatory i.e. hard pay debt service payments. Expenses of the Project shall not include any payments, however characterized, on account of any subordinate cash flow contingent financing in respect of the Project or other indebtedness, allowance for depreciation, amortization or other non-cash items, gains and losses or prepaid expenses not customarily prepaid.

"**Extended Outside Conversion Date**" shall mean _____.

"**Fair Market Value**" shall mean the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Code, (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Code, (iii) the investment is a United States Treasury Security State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) the investment is an interest in any commingled investment fund in which the Governmental Lender and related parties do not own more than a ten percent (10%) beneficial interest therein if the return paid by the fund is without regard to the source of investment.

"**Funding Lender**" shall mean the Construction Funding Lender until Conversion and the Permanent Funding Lender, following Conversion.

"**Funding Lenders**" shall have the meaning set forth in the recitals to this Borrower Loan Agreement.

"**Funding Loan**" means the Funding Loan in the original maximum principal amount of $19,000,000 made by Construction Funding Lender to Governmental Lender under the Funding Loan Agreement, the proceeds of which are used by the Governmental Lender to make the Borrower Loan.

"**Funding Loan Agreement**" means the Funding Loan Agreement, of even date herewith, between the Governmental Lender and the Funding Lenders, as it may from time to time be supplemented, modified or amended by one or more amendments or other instruments supplemental thereto entered into pursuant to the applicable provisions thereof.

"**Funding Loan Documents**" shall have the meaning given to that term in the Funding Loan Agreement.

"**GAAP**" shall mean generally accepted accounting principles as in effect on the date of the application thereof and consistently applied throughout the periods covered by the applicable financial statements.

"**General Partner**" means Homan Square Apartments Phase IV, LLC, an Illinois limited liability company.

"**Governmental Authority**" shall mean (i) any governmental municipality or political subdivision thereof, (ii) any governmental or quasi-governmental agency, authority, board, bureau, commission, department, instrumentality or public body, or (iii) any court, administrative tribunal or public utility, agency, commission, office or authority of any nature whatsoever for any governmental unit (federal, state, county, district, municipal, city or otherwise), now or hereafter in existence.

"**Governmental Lender**" shall have the meaning set forth in the recitals to this Borrower Loan Agreement.

"**Governmental Lender Note**" shall mean that certain City of Chicago Multifamily Housing Revenue Note, 2025 Series A (Homan Square Apartments Phase IV), dated the Closing Date in the original maximum principal amount of $19,000,000, made by the Governmental Lender and payable to the order of Construction Funding Lender, as it may be amended, supplemented or replaced from time to time.

"**Governmental Lender's Closing Fee**" shall mean an amount equal to 1.5% of the original principal amount of the Governmental Lender Note. The Governmental Lender's Closing Fee is payable to the Governmental Lender on the Closing Date, pursuant to Section 2.3(c)(iii) hereof.

"**Gross Income**" shall mean all receipts, revenues, income and other moneys received or collected by or on behalf of Borrower and derived from the ownership or operation of the Project, if any, and all rights to receive the same, whether in the form of accounts, accounts receivable, contract rights or other rights, and the proceeds of such rights, and whether now owned or held or hereafter coming into existence and proceeds received upon the foreclosure sale of the Project. Gross Income shall not include loan proceeds, net proceeds of insurance and condemnation awards, amounts disbursed from reserves, equity or capital contributions, or tenant security deposits being held by Borrower in accordance with applicable law or any extraordinary or non-reoccurring items (including any real property tax refunds.

"**Gross Proceeds**" shall mean, without duplication, the aggregate of:

(a) the net amount (after payment of all expenses of originating the Funding Loan) of Funding Loan proceeds received by the Governmental Lender as a result of the origination of the Funding Loan;

(b) all amounts received by the Governmental Lender as a result of the investment of the Funding Loan proceeds;

(c) any amounts held in any fund or account to the extent that the Governmental Lender reasonably expects to use the amounts in such fund to pay any portion of the Funding Loan; and

(d) any securities or obligations pledged by the Governmental Lender or by the Borrower as security for the payment of any portion of the Funding Loan.

"**Guarantor**" shall mean IFF Real Estate Holdings, LLC, an Illinois limited liability company and any other person or entity which may hereafter become a guarantor of any of the Borrower's obligations under the Borrower Loan.

"**Guaranty**" shall mean, that certain Guaranty, dated as of the Closing Date, by the Guarantor for the benefit of the Construction Funding Lender.

"**Improvements**" shall mean the multifamily residential Project, all of which will be income-restricted, together with related common areas, to be acquired and rehabilitated upon the Land and known as Homan Square Apartments Phase IV, and all other buildings, structures, fixtures, wiring, systems, equipment and other improvements and personal property to be rehabilitated, constructed and/or installed at or on the Land in accordance with the Cost Breakdown and the Plans and Specifications.

"**Indemnified Party**" shall have the meaning set forth in Section 5.15 hereof.

"**Installment Computation Date**" shall mean any Computation Date other than the first Computation Date or the final Computation Date.

"**Interest Rate**" shall mean the rate of interest accruing on the Borrower Loan pursuant to the Borrower Note.

"**Land**" means the real property described on **Exhibit A** to the Security Instrument.

"**Late Charge**" shall mean the amount due and payable as a late charge on overdue payments under the Borrower Note, as provided in Section __ of the Borrower Note and Section 2.6 hereof.

"**Legal Action**" shall mean an action, suit, investigation, inquiry, proceeding or arbitration at law or in equity or before or by any foreign or domestic court, arbitrator or other Governmental Authority.

"**Legal Requirements**" shall mean statutes, laws, rules, orders, regulations, ordinances, judgments, decrees and injunctions of Governmental Authorities affecting all or part of the Project or any property (including the Project) or the rehabilitation, construction, use, alteration or operation thereof, whether now or hereafter enacted and in force, and all permits, licenses and authorizations and regulations relating thereto, and all covenants, agreements, restrictions and encumbrances contained in any instrument, either of record or known to the Borrower, at any time in force affecting all or part of the Project, including any that may (i) require repairs, modifications or alterations in or to all or part of the Project, or (ii) in any way limit the use and enjoyment thereof.

"**Liabilities**" shall have the meaning set forth in Section 5.15 hereof.

"**Licenses**" shall have the meaning set forth in Section 4.1.22 hereof.

"**Lien**" shall mean any interest, or claim thereof, in the Project securing an obligation owed to, or a claim by, any Person other than the owner of the Project, whether such interest is based on common law, statute or contract, including the lien or security interest arising from a deed of trust, mortgage, deed to secure debt, assignment, encumbrance, pledge, security agreement, conditional sale or trust receipt or a lease, consignment or bailment for security purposes. The term "Lien" shall include reservations, exceptions, encroachments, easements, rights of way, covenants, conditions, restrictions, leases and other title exceptions and encumbrances affecting the Project.

"**Management Agreement**" shall mean the Management Agreement between the Borrower and the Property Manager, pursuant to which the Property Manager is to manage the Project, as same may be amended, restated, replaced, supplemented or otherwise modified from time to time.

"**Material Adverse Change**" means any set of circumstances or events which (a) has or could reasonably be expected to have any material adverse effect whatsoever upon the validity or enforceability of this Borrower Loan Agreement or any other Borrower Loan Document; (b) is or could reasonably be expected to be material and adverse to the business, properties, assets, financial condition, results of operations or prospects of the Borrower, General Partner, Guarantor or the Mortgaged Property; (c) could reasonably be expected to impair materially the ability of the Borrower, General Partner, or Guarantor to duly and punctually pay or perform any of their respective obligations under any of the Borrower Loan Documents to which they are a party; or (d) impairs materially or could reasonably be expected to impair materially any rights of or benefits available to the Governmental Lender under this Borrower Loan Agreement or any other Borrower Loan Document, including, without limitation, the ability of Governmental Lender or, upon the assignment of the Borrower Loan to it, of any Funding Lender, to the

extent permitted, to enforce its legal remedies pursuant to this Borrower Loan Agreement or any other Borrower Loan Document.

"**Mortgaged Property**" shall have the meaning given to "Property" in the Security Instrument.

"**Net Operating Income**" shall mean: (i) the Gross Income, less (ii) the Expenses of the Project.

"**Nonpurpose Investment**" shall mean any investment property (as defined in Section 148(b) of the Code) that is acquired with the Gross Proceeds of the Funding Loan and which is not acquired to carry out the governmental purpose of the Funding Loan.

"**Ongoing Governmental Lender Fee**" shall mean (i) the bond issuer closing fee of $_____ due at closing, a $_____ LIHTC issuer fee due at closing, $_____ due at closing for bond legal reserve fee, and (ii) the semi-annual fee of the Governmental Lender in the amount of 15 basis points (.0015) of the total outstanding bond amount, accruing monthly but paid semi-annually. The fee due on an semi-annual basis is payable annually in advance by the Borrower to the Governmental Lender on each January 1 and June 1, commencing on the Closing Date so long as any parties of the Funding Loan is outstanding.

"**Ordinance**" shall mean the Ordinance adopted by City Council of the Governmental Lender authorizing the issuance of the Government Lender Note.

"**Other Borrower Moneys**" shall mean monies of Borrower other than Borrower Loan Proceeds and includes, but is not limited to, the Subordinate Debt, Net Operating Income, the Borrower's Equity Contributions and any other funds contributed by or loaned to the Borrower for application to the Costs of the Improvements or other costs associated with the Project.

"**Other Charges**" shall mean all maintenance charges, impositions other than Taxes, and any other charges, including vault charges and license fees for the use of vaults, chutes and similar areas adjoining the Project, now or hereafter levied or assessed or imposed against the Project or any part thereof.

"**Outside Conversion Date**" shall mean _____.

"**Partnership Agreement**" shall mean that certain Amended and Restated Agreement of Limited Partnership of the Borrower with respect to the Project, dated as of _____, 2025, as the same may be amended, restated or modified in accordance with its terms.

"**Patriot Act**" shall mean the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT ACT) of 2001, as the same may be amended from time to time, and corresponding provisions of future laws.

"**Patriot Act Offense**" shall have the meaning set forth in Section 4.1.48 hereof.

"**Permanent Funding Lender**" shall mean Cedar Rapids Bank & Trust Company.

"**Permanent Loan Continuing Covenants Agreement**" means that certain Continuing Covenants Agreement to be entered into by and between Borrower and Permanent Funding Lender.

"**Permanent Loan Purchase Price**" shall mean the principal amount of the Borrower Loan (and, correspondingly, the Funding Loan) subject to purchase by the Permanent Funding Lender following the calculation provided for in the Forward Bond Purchase Agreement as a Conversion Condition.

"**Permanent Period**" shall mean the period of time from the Conversion Date to the Maturity Date (as defined in the Funding Loan Agreement).

"**Permitted Encumbrances**" shall have the meaning given to that term in the Construction Funding Agreement.

"**Permitted Lease**" shall mean a lease and occupancy agreement pursuant to the form approved by Funding Lender, to a residential tenant in compliance with the Legal Requirements and satisfying the requirements of the Construction Funding Agreement, providing for an initial term of not less than six (6) months nor more than two (2) years.

"**Permitted Transfer**" shall have the meaning given to that term in the Construction Funding Agreement.

"**Person**" shall mean a natural person, a partnership, a joint venture, an unincorporated association, a limited liability company, a corporation, a trust, any other legal entity, or any Governmental Authority.

"**Plan**" shall mean (i) an employee benefit or other plan established or maintained by the Borrower or any ERISA Affiliate or to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions and (ii) which is covered by Title IV of ERISA or Section 302 of ERISA or Section 412 of the Code.

"**Plans and Specifications**" shall mean the plans and specifications for the rehabilitation and/or construction, as the case may be, of the Project approved by Construction Funding Lender.

"**Potential Default**" shall mean the occurrence of an event which, under this Borrower Loan Agreement or any other Borrower Loan Document, would, but for the giving of notice of passage of time, be an Event of Default.

"**Prepayment Premium**" shall mean any premium payable by the Borrower pursuant to the Borrower Loan Documents in connection with a prepayment of the Borrower Note (including any prepayment premium as set forth in the Borrower Note).

"**Project**" shall mean the Mortgaged Property and Improvements thereon owned by the Borrower and encumbered by the Security Instruments, together with all rights pertaining to such real property and Improvements, as more particularly described in the Granting Clauses of any Security Instrument and referred to therein as the "Property."

"**Project Agreements and Licenses**" shall mean any and all Construction Contracts, Engineer's Contracts and Management Agreements, and all other rights, licenses, permits, franchises, authorizations, approvals and agreements relating to use, occupancy, operation or leasing of the Project or the Mortgaged Property.

"**Property Manager**" shall mean the management company to be employed by the Borrower and approved by the Construction Funding Lender in accordance with the terms of the Construction Funding Agreement, this Borrower Loan Agreement or any of the other Borrower Loan Documents.

"**Provided Information**" shall have the meaning set forth in Section 9.1.1 (a) hereof.

"**Qualified Project Costs**" shall mean costs paid with respect to the Project that meet each of the following requirements: (i) the costs are properly chargeable to capital account (or would be so chargeable with a proper election by the Borrower or but for a proper election by the Borrower to deduct such costs) in accordance with general federal income tax principles and in accordance with Section 1.103-8(a)(1) of the Regulations, provided, however, that only such portion of the interest accrued during rehabilitation and/or construction of the Project shall be eligible to be a Qualified Project Cost as bears the same ratio to all such interest as the Qualified Project Costs bear to all costs of the acquisition, rehabilitation and/or construction of the Project; and provided further that interest accruing after the date of completion of the Project shall not be a Qualified Project Cost; and provided still further that if any portion of the Project is being rehabilitated and/or constructed by an Affiliate of the Borrower (whether as general contractor or a subcontractor), Qualified Project Costs shall include only (A) the actual out of pocket costs incurred by such Affiliate in constructing the Project (or any portion thereof), (B) any reasonable fees for supervisory services actually rendered by such Affiliate, and (C) any overhead expenses incurred by such Affiliate which are directly attributable to the work performed on the Project, and shall not include, for example, intercompany profits resulting from members of an "affiliated group" (within the meaning of Section 1504 of the Code) participating in the rehabilitation and/or construction of the Project or payments received by such Affiliate due to early completion of the Project (or any portion thereof); (ii) the costs are paid with respect to a qualified residential rental project or projects within the meaning of Section 142(d) of the Code, (iii) the costs are paid after the earlier of 60 days prior to July 18, 2025, being the date on which the Governmental Lender first declared its "official intent" to reimburse costs paid with respect to the Project (within the meaning of Section 1.150-2 of the Regulations) or the date of issue of the Funding Loan, and (iv) if the costs of the acquisition, rehabilitation and/or construction of the Project were previously paid and are to be reimbursed with proceeds of the Funding Loan such costs were (A) preliminary expenditures" (within the meaning of Section 1.150-2(f)(2) of the Regulations) with respect to the Project (such as architectural, engineering and soil testing services) incurred before commencement of acquisition, rehabilitation and/or construction of the Project that do not exceed twenty percent (20%) of the issue price of the Governmental Lender Note (as defined in Section 1.148-1 of the Regulations), or (B) were capital expenditures with respect to the Project that are reimbursed no later than 18 months after the later of the date the expenditure was paid or the date the Project is placed in service (but no later than three years after the expenditures is paid); provided, however, that (w) Costs of Funding shall not be deemed to be Qualified Project Costs; (x) fees, charges or profits (including, without limitation, developer fees) payable to the Borrower or a "related person" (within the meaning of Section 144(a)(3) of the Code) shall not be deemed to be Qualified Project Costs; (y) letter of credit fees and municipal bond insurance premiums which represent a transfer of credit risk shall be allocated between Qualified Project Costs and other costs and expenses to be paid from the proceeds of the Funding Loan; and (z) letter of credit fees and municipal bond insurance premiums which do not represent a transfer of credit risk (including, without limitation, letter of credit fees payable to a "related person" to the Borrower) shall not constitute Qualified Project Costs.

"**Rating Agency**" shall have the meaning set forth in the Funding Loan Agreement.

"**Rebate Amount**" shall mean, for any given period, the amount determined by the Rebate Analyst as required to be rebated or paid as a yield reduction payment to the United States of America with respect to the Funding Loan.

"**Rebate Analyst**" shall mean the rebate analyst selected by the Borrower prior to the Closing Date and acceptable to the Governmental Lender and the Funding Lender.

Rebate Analyst's Fee" shall mean the annual fee of the Rebate Analyst as established from time to time. The Rebate Analyst's Fee is payable by the Borrower to the Rebate Analyst as invoiced.

"**Rebate Fund**" shall mean the Rebate Fund created pursuant to Section 5.36 hereof.

"**Regulatory Agreement**" shall have the meaning set forth in the Funding Loan Agreement.

"**Related Documents**" shall mean, collectively, any agreement or other document (other than the Borrower Loan Documents) granting a security interest (including each agreement that is the subject of any Borrower Loan Document), the Partnership Agreement, and any other agreement, instrument or other document (not constituting a Borrower Loan Document) relating to or executed in connection with the transactions contemplated by this Borrower Loan Agreement.

"**Replacement Reserve Agreement**" shall mean any Replacement Reserve Agreement between the Borrower and the Funding Lender to be executed and delivered in connection with the Conversion, as the same may be amended, restated or supplemented from time to time.

"**Replacement Reserve Fund Requirement**" means Borrower's funding obligations from time to time under the Replacement Reserve Agreement.

"**Retainage**" shall mean, for each Construction Contract, the greater of (a) ten percent (10%) of all amounts required to be paid by a Contractor under the Construction Contract and (b) the actual retainage required under such Construction Contract, which shall be released (or reduced) upon satisfaction of the conditions set forth in Section ___ of the Construction Funding Agreement.

"**Secondary Market Disclosure Document**" shall have the meaning set forth in Section 9.1.2 hereof.

"**Secondary Market Transaction**" shall have the meaning set forth in Section 9.1.1 hereof.

"**Securities**" shall have the meaning set forth in Section 9.1.1 hereof.

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Security**" shall have the meaning set forth in Article IV of the Funding Loan Agreement.

"**Security Documents**" shall mean any Security Instrument, Replacement Reserve Agreement, Guaranty, this Borrower Loan Agreement, the Agreement of Environmental Indemnification, and such other security instruments required by the Construction Funding Agreement or, as applicable, the Forward Bond Purchase Agreement or that Funding Lender may reasonably request.

"**Security Instruments**" shall have the meaning set forth in the recitals to this Borrower Loan Agreement.

"**Servicer**" shall mean the Servicer contracting with or appointed by the Funding Lender to service the Borrower Loan.

"**Servicing Agreement**" shall mean any servicing agreement or master servicing agreement, among the Servicer and the Funding Lender relating to the servicing of the Borrower Loan and any amendments thereto or any replacement thereof, if any.

"**Special Limited Partner**" shall mean Red Stone Equity Manager, LLC, a Delaware limited liability company.

"**State**" shall mean the State in which the Project is located.

"**Subordinate Debt**" means, collectively, any subordinate debt approved by the Funding Lenders with respect to the Project.

"**Subordinate Lender**" shall mean any lender providing Subordinate Debt.

"**Subordinate Loan Documents**" shall mean, collectively, all instruments, agreements and other documents evidencing, securing or otherwise relating to the Subordinate Debt or executed and delivered by Borrower and/or Subordinate Lender in connection with the Subordinate Debt.

"**Substantial Completion Date**" means the date that is three (3) months prior to the Completion Date.

"**Substantially Complete**" or "**Substantially Completed**" means the Construction Funding Lender has determined that rehabilitation and/or construction, as the case may be, of the Improvements is sufficiently complete such that the Improvements can be occupied by tenants as a multifamily residential rental project.

"**SWAP Obligations**" means the obligations of Borrower and any guarantors thereunder in connection with that certain ISDA Master Agreement by and between Borrower and Permanent Funding Lender.

"**Tax Counsel**" shall have the meaning set forth in the Funding Loan Agreement.

"**Tax Counsel No Adverse Effect Opinion**" shall have the meaning set forth in the Funding Loan Agreement.

"**Taxes**" shall mean all real estate and personal property taxes, assessments, water rates or sewer rents, now or hereafter levied or assessed or imposed against all or part of the Project.

"**Term**" shall mean the term of this Borrower Loan Agreement pursuant to Section 10.14.

"**Title Company**" means Title Services Midwest, LLC, an Illinois limited liability company.

"**Title Insurance Policy**" shall mean the mortgagee title insurance policy, in form acceptable to the Funding Lender, issued with respect to the Mortgaged Property and insuring the lien of the Security Instrument.

"**Transfer**" shall have the meaning given to that term in the Construction Funding Agreement.

"**UCC**" shall mean the Uniform Commercial Code as in effect in the State.

"**Unassigned Rights**" shall have the meaning given to that term in the Funding Loan Agreement.

"**Unit**" shall mean a residential apartment unit within the Improvements.

"**Written Consent**" and "**Written Notice**" shall mean a written consent or notice signed by an Authorized Borrower Representative or an authorized representative of the Governmental Lender or the Funding Lender, as appropriate.

"**Yield**" shall mean yield as defined in Section 148(h) of the Code and any regulations promulgated thereunder.

ARTICLE II
GENERAL

Section 2.1. Origination of Borrower Loan. In order to provide funds for the purposes provided herein, the Governmental Lender agrees that it will, in accordance with the Ordinance, enter into the Funding Loan Agreement and accept the Funding Loan from the Funding Lender. The proceeds of the Funding Loan shall be advanced by the Construction Funding Lender to the Title Company and then to Borrower in accordance with the terms of the Construction Funding Agreement, the Construction Escrow Agreement, and this Borrower Loan Agreement.

Subject to Section 10.11, the Governmental Lender hereby appoints the respective Funding Lender as its agent with full authority and power to act on its behalf to disburse the Borrower Loan for the account of the Governmental Lender, to take certain actions and exercise certain remedies with respect to the Borrower Loan, and for the other purposes set forth in this Borrower Loan Agreement and to do all other acts necessary or incidental to the performance and execution thereof. This appointment is coupled with an interest and is irrevocable except as expressly set forth herein. Accordingly, references to the rights of the Funding Lender to take actions under this Borrower Loan Agreement shall refer to such Funding Lender in its role as agent of the Governmental Lender. The Funding Lender may designate Servicer to fulfill the rights and responsibilities granted by Governmental Lender to Funding Lender pursuant to this Section 2.1; provided, however, that such designation shall not release or absolve Funding Lender from ultimate responsibility for fulfillment of such rights or responsibilities.

Section 2.2. Security for the Funding Loan.

(a) As security for the Funding Loan, the Governmental Lender has pledged and assigned the Security to the Construction Funding Lender under and pursuant to the Funding Loan Agreement (i) the Borrower Note and all of its right, title and interest in and to this Borrower Loan Agreement and the Borrower Loan Documents (except for the Unassigned Rights) and all revenues and receipts therefrom and the security therefor (including the Security Instrument) and (ii) the amounts on deposit from time to time in any and all funds established under the Funding Loan Agreement. All revenues and assets pledged and assigned thereby shall immediately be subject to the lien of such pledge without any physical delivery thereof or any further act, except in the case of the Borrower Note, which shall be endorsed by the Governmental Lender and delivered to the Construction Funding Lender, and subsequently on the Conversion Date is expected to be endorsed by Construction Funding Lender and delivered to the Permanent Funding Lender. The Borrower hereby acknowledges and consents to such transfers and assignments of the Borrower Note.

(b) With respect to the Unassigned Rights, subject to the limitations set forth in this Section 2.2, the Governmental Lender may:

(i) Tax Covenants. Seek specific performance of, and enforce, the tax covenants of the Funding Loan Agreement and the other Funding Loan Documents, seek

injunctive relief against acts which may be in violation of any of the tax covenants, and enforce the Borrower's obligation to pay amounts for credit to the Rebate Fund;

(ii) Reserved Rights. Take whatever action at law or in equity which appears necessary or desirable to enforce the other Unassigned Rights, provided, however, that the Governmental Lender or any person under its control may only enforce any right it may have for monetary damages against Excess Revenues, if any, of the Borrower, unless Funding Lender otherwise specifically consents in writing to the enforcement against other funds of the Borrower.

(c) In no event shall the Governmental Lender, except at the express written direction of the Funding Lender or the Servicer, as agent for the Funding Lender:

(i) prosecute its action to a lien on the Project; or

(ii) take any action which may have the effect, directly or indirectly, of impairing the ability of the Borrower to timely pay the principal of, interest on, or other amounts due under, the Borrower Loan or of causing the Borrower to file a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Borrower under any applicable liquidation, insolvency, bankruptcy, rehabilitation, composition, reorganization, conservation or other similar law in effect now or in the future; or

(iii) interfere with the exercise by Funding Lender of any of its rights under the Borrower Loan Documents upon the occurrence of an event of default by the Borrower under the Borrower Loan Documents or the Funding Loan Documents; or

(iv) take any action to accelerate or otherwise enforce payment or seek other remedies with respect to the Borrower Loan or the Funding Loan..

(d) The Governmental Lender shall provide written notice to the Funding Lender and the Servicer immediately upon taking any action at law or in equity to exercise any remedy or direct any proceeding under the Borrower Loan Documents or the Funding Loan Documents.

Section 2.3. Loan; Borrower Note; Conditions to Closing.

(a) The Funding Loan shall be funded directly to the Title Company and then to Borrower by the Construction Funding Lender through the Construction Funding Agreement and the Construction Escrow Agreement, in one or more installments not to exceed the Borrower Loan Amount in accordance with the disbursement procedures set forth in the Construction Funding Agreement and the Construction Escrow Agreement. Upon funding of each installment of the Funding Loan, the Governmental Lender shall be deemed to have made the Borrower Loan to the Borrower in a like principal amount. The Borrower Loan shall mature and be payable at the times and in the amounts required under the terms hereof and of the Borrower Note. The proceeds of the Borrower Loan shall be used by the Borrower to pay costs of the acquisition, rehabilitation, construction, development, equipping and/or operation of the Project. The Borrower hereby accepts the Borrower Loan and acknowledges that the Governmental Lender shall cause the Construction Funding Lender to fund the Borrower Loan in the manner set forth herein and in the Funding Loan Agreement. The Governmental Lender acknowledges that the

Borrower Loan shall be funded by the Construction Funding Lender for the account of the Governmental Lender.

(b) The Borrower hereby accepts the Borrower Loan. As evidence of its obligation to repay the Borrower Loan, simultaneously with the delivery of this Borrower Loan Agreement to the Governmental Lender, the Borrower hereby agrees to execute and deliver the Borrower Note. The Borrower Loan shall mature and be payable at the times and in the amounts required under the terms hereof and of the Borrower Note.

(c) Closing of the Borrower Loan on the Closing Date shall be conditioned upon satisfaction or waiver by the Governmental Lender and the Construction Funding Lender, in its sole discretion of each of the conditions precedent to closing set forth in the Funding Loan Agreement and this Borrower Loan Agreement, including but not limited to the following:

(i) evidence of proper recordation of the Security Instrument, an assignment of the Security Instrument from the Governmental Lender to the Construction Funding Lender, the Regulatory Agreement, and each of the other documents specified for recording in instructions delivered to the Title Company by counsel to the Construction Funding Lender (or that such documents have been delivered to an authorized agent of the Title Company for recordation under binding recording instructions from the Construction Funding Lender's counsel or such other counsel as may be acceptable to the Construction Funding Lender); and

(ii) delivery into escrow with the Title Company (or separate escrow company, if applicable) of all amounts required to be paid in connection with the origination of the Borrower Loan and the Funding Loan and any underlying real estate transfers or transactions, including the Costs of Funding Deposit and the Borrower Initial Equity, all as specified in written instructions delivered to the Title Company by counsel to the Construction Funding Lender (or such other counsel as may be acceptable to the Construction Funding Lender); and

(iii) payment of all fees payable in connection with the closing of the Borrower Loan, including the Governmental Lender's Closing Fee.

Section 2.4. Borrower Loan Payments.

(a) The Borrower shall make Borrower Loan Payments in accordance with the Borrower Note. Each Borrower Loan Payment made by the Borrower shall be made in funds immediately available to the holder of the Borrower Note or the Servicer by 2:00 p.m., Chicago time, on the Borrower Loan Payment Date. Each such payment shall be made to the holder of the Borrower Note or the Servicer by deposit to such account as such holder or Servicer, as applicable, may designate by Written Notice to the Borrower. Whenever any Borrower Loan Payment shall be stated to be due on a day that is not a Business Day, such payment shall be due on the first Business Day immediately thereafter. In addition, the Borrower shall make Borrower Loan Payments in accordance with the Borrower Note in the amounts and at the times necessary to make all payments due and payable on the Funding Loan. All payments made by the Borrower hereunder or by the Borrower under the other Borrower Loan Documents, shall be made irrespective of, and without any deduction for, any set-offs or counterclaims, but such payment shall not constitute a waiver of any such set offs or counterclaims.

(b) Unless there is no Servicer, payments of principal and interest on the Borrower Note shall be paid to the Servicer. If there is no Servicer, payments of principal and interest on the Borrower Note shall be paid directly to the holder of the Borrower Note.

Section 2.5. Additional Borrower Payments.

(a) The Borrower shall pay on demand the following amounts:

(i) to the Servicer or the Funding Lender, the Rebate Amount then due, if any, to be deposited in the Rebate Fund as specified in Section 5.36 hereof and the Rebate Analyst's Fee and any other costs incurred to calculate such Rebate Amount (to the extent such costs are not included in the Borrower Loan Payment);

(ii) to the Governmental Lender, the Ongoing Governmental Lender Fee and all fees, charges, costs, advances, indemnities and expenses, including agent and counsel fees, of the Governmental Lender incurred under the Borrower Loan Documents or the Funding Loan Documents, and any taxes and assessments with respect to the Project, as and when the same become due;

(iii) [Reserved];

(iv) all Costs of Funding and fees, charges and expenses, including agent and counsel fees incurred in connection with the origination of the Borrower Loan and the Funding Loan, as and when the same become due;

(v) to the Funding Lender, all charges, costs, advances, indemnities and expenses, including agent and counsel fees, of the Funding Lender incurred by the Funding Lender at any time in connection with the Borrower Loan, the Funding Loan or the Project, including, without limitation, reasonable counsel fees and expenses incurred in connection with the interpretation, performance, or amendment and all counsel fees and expenses relating to the enforcement of the Borrower Loan Documents or the Funding Loan Documents or any other documents relating to the Project or the Borrower Loan or in connection with questions or other matters arising under such documents or in connection with any federal or state tax audit; and

(vi) any Late Charge due and payable under the terms of the Borrower Note and Section 2.6 hereof; provided, however, that all payments made pursuant to this subsection (vi) shall be made to the Servicer, and if there is no Servicer, such payments shall be made to holder of the Borrower Note.

(b) The Borrower shall pay to the party entitled thereto as expressly set forth in this Borrower Loan Agreement or the other Borrower Loan Documents or Funding Loan Documents:

(i) all expenses incurred in connection with the enforcement of any rights under this Borrower Loan Agreement or any other Borrower Loan Document, the Regulatory Agreement, or any Funding Loan Document by the Governmental Lender, Funding Lender or the Servicer;

(ii) all other payments of whatever nature that the Borrower has agreed to pay or assume under the provisions of this Borrower Loan Agreement or any other Borrower Loan Document or Funding Loan Document; and

(iii) all expenses, costs and fees relating to inspections of the Project required by the Governmental Lender, the Funding Lender, the Servicer or the Construction Consultant, in accordance with the Borrower Loan Documents or the Funding Loan Documents or to reimburse such parties for such expenses, costs and fees.

Section 2.6. Overdue Payments; Payments if Default. If any Borrower Payment Obligation is not paid by or on behalf of the Borrower when due, the Borrower shall pay to the holder of the Borrower Note, a Late Charge in the amount and to the extent set forth in the Borrower Note, if any.

Section 2.7. Calculation of Interest Payments and Deposits to Real Estate Related Reserve Funds. The Borrower acknowledges as follows: (a) calculation of all interest payments shall be made by the Funding Lender; (b) deposits with respect to the Taxes and Other Charges shall be calculated by the Servicer or if there is no Servicer, the Funding Lender in accordance with the Security Instrument or the Construction Funding Agreement, as applicable; and (c) deposits with respect to any replacement reserve funds required by the Funding Lender shall be calculated by the Servicer in accordance with the Replacement Reserve Agreement. In the event and to the extent that the Servicer or the Funding Lender, pursuant to the terms hereof and the Replacement Reserve Agreement, shall determine at any time that there exists a deficiency in amounts previously owed but not paid with respect to deposits to such replacement reserve fund, such deficiency shall be immediately due and payable hereunder following Written Notice to the Borrower.

Section 2.8. Grant of Security Interest; Application of Funds. To the extent not inconsistent with the Security Instrument and as security for payment of the Borrower Payment Obligations and the performance by the Borrower of all other terms, conditions and provisions of the Borrower Loan Documents, subject to Section 10.11, the Borrower hereby pledges and assigns to the Funding Lender, and grants to the Funding Lender, a security interest in, all the Borrower's right, title and interest in and to all payments to or moneys held in the funds and accounts created and held by the Funding Lender or the Servicer for the Project. This Borrower Loan Agreement is, among other things, intended by the parties to be a security agreement for purposes of the UCC. Upon the occurrence and during the continuance of an Event of Default hereunder, the Funding Lender and the Servicer shall apply or cause to be applied any sums held by the Funding Lender and the Servicer with respect to the Project in any manner and in any order determined by Funding Lender, in Funding Lender's sole and absolute discretion.

Section 2.9. Marshalling; Payments Set Aside. The Governmental Lender and Funding Lender shall be under no obligation to marshal any assets in favor of Borrower or any other Person or against or in payment of any or all of the proceeds. To the extent that Borrower makes a payment or payments or transfers any assets to the Governmental Lender or Funding Lender, or the Governmental Lender or Funding Lender enforces its liens, and such payment or payments or transfers, or the proceeds of such enforcement or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other party in connection with any insolvency proceeding, or otherwise, then: (i) any and all obligations owed to the Governmental Lender or Funding Lender and any and all remedies available to the Governmental Lender or Funding Lender under the terms of the Borrower Loan Documents and the Funding Loan Documents or in law or equity against Borrower, Guarantor or General Partner and/or any of their properties shall be automatically revived and reinstated to the extent (and only to the extent) of any recovery permitted under clause (ii) below; and (ii) the Governmental Lender and Funding Lender shall be entitled to recover (and shall be entitled to file a proof of claim to obtain such recovery in any applicable bankruptcy, insolvency, receivership or fraudulent conveyance or fraudulent transfer proceeding) either: (x) the amount of payments or the value of the transfer or (y) if the transfer has been undone and the assets returned in whole or in part, the value of the consideration paid to or received by Borrower for the initial asset

transfer, plus in each case any deferred interest from the date of the disgorgement to the date of distribution to the Governmental Lender or Funding Lender in any bankruptcy, insolvency, receivership or fraudulent conveyance or fraudulent transfer proceeding, and any costs and expenses due and owing, including, without limitation, any reasonable attorneys' fees incurred by the Governmental Lender or Funding Lender in connection with the exercise by the Governmental Lender or Funding Lender of its rights under this Section 2.9.

Section 2.10. Borrower Loan Disbursements. The Borrower Loan shall be disbursed by the Construction Funding Lender, as agent for the Governmental Lender, pursuant to the Construction Funding Agreement.

ARTICLE III

CONVERSION

Section 3.1. Conversion Date and Extension of Outside Conversion Date. Borrower shall satisfy each of the Conversion Conditions and cause the Conversion to occur on or before the Outside Conversion Date (as may be extended to the Extended Outside Conversion Date, if any), as provided in the Forward Bond Purchase Agreement. The failure of Conversion to occur on or before the Outside Conversion Date (as may be extended to the Extended Outside Conversion Date) shall constitute an Event of Default hereunder and under the other Borrower Loan Documents. Upon completion of Conversion, the Permanent Funding Lender shall replace the Construction Funding Lender as the Funding Lender hereunder and the Construction Funding Lender shall have no further obligations hereunder.

Section 3.2. Notice from Funding Lender; Funding Lender's Calculation Final.

(a) Following satisfaction of all of the Conversion Conditions, Permanent Funding Lender shall deliver Written Notice to Borrower, Construction Funding Lender and the Governmental Lender of: (i) the Conversion Date, (ii) the amount of the Permanent Loan Purchase Price, (iii) any required prepayment of the Borrower Note (as described below in Section 3.3) and (iv) any amendments to the amortization schedule, as applicable.

(b) Permanent Funding Lender's calculation of the Permanent Loan Purchase Price and any amendments to the amortization of the Borrower Loan shall be, in the absence of manifest error, conclusive and binding on all parties.

Section 3.3. Mandatory Prepayment of the Borrower Loan.

(a) As further provided in the Forward Bond Purchase Agreement, if the outstanding principal balance of the Borrower Loan (and, correspondingly, the Funding Loan) as of the Conversion Date is greater than the Permanent Loan Purchase Price, Funding Lender may require Borrower to make a partial prepayment of the Borrower Loan (and, correspondingly, the Funding Loan) in an amount sufficient to reduce the outstanding principal balance of the Borrower Loan (and, correspondingly, the Funding Loan) to an amount equal to the Permanent Loan Purchase Price (a "**Pre-Conversion Loan Equalization Payment**").

(b) Any prepayment in full or in part of the Borrower Loan required pursuant to Section 3.3(a) above shall be subject to a prepayment premium under certain circumstances as more particularly set forth in the Borrower Note.

Section 3.4. [Intentionally Omitted]No Amendment. Nothing contained in this Article III shall be construed to amend, modify, alter, change or supersede the terms and provisions of the Borrower Note, Security Instrument, the Construction Funding Agreement, the Forward Loan Purchase Agreement or any other Borrower Loan Document and, if there shall exist a conflict between the terms and provisions of this Article III and those of the Borrower Note, Security Instrument, the Construction Funding Agreement, the Forward Loan Purchase Agreement or other Borrower Loan Documents, then the terms and provisions of the Borrower Note, Security Instrument, the Construction Funding Agreement, the Forward Loan Purchase Agreement and other Borrower Loan Documents shall control.

3.6 Determinations by Funding Lender. In any instance where the consent or approval of Funding Lender may be given or is required, or where any determination, judgment or decision is to be rendered by Funding Lender under this Article III, including in connection with the Construction Funding Agreement, unless otherwise expressly provided, the granting, withholding or denial of such consent or approval and the rendering of such determination, judgment or decision shall be made or exercised by the Funding Lender (or its designated representative), at its sole and exclusive option and in its sole and absolute discretion.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES

Section 4.1. Borrower Representations. To induce the Governmental Lender to execute this Borrower Loan Agreement and to induce Construction Funding Lender to make Disbursements, Borrower represents and warrants for the benefit of the Governmental Lender, Funding Lender and the Servicer, that the representations and warranties set forth in this Section 4.1 are complete and accurate as of the Closing Date and will be complete and accurate, and deemed remade, as of the date of each Disbursement, as of the Conversion Date and as of the Maturity Date in accordance with the terms and conditions of the Borrower Note. Notwithstanding the foregoing, to the extent that representation or warranty set forth in this Section 4.1 speaks of a particular date, such representation or warranty shall be deemed remade as of such date. Subject to Section 4.2 hereof, the representations, warranties and agreements set forth in this Section 4.1 shall survive the making of the Borrower Loan, and shall remain in effect and true and correct in all material respects until the Borrower Loan and all other Borrower Payment Obligations have been repaid in full.

Section 4.1.1 Organization; Special Purpose. The Borrower is in good standing under the laws of the State (and under the laws of the state in which the Borrower was formed if the Borrower was not formed under the laws of the State), has full legal right, power and authority to enter into the Borrower Loan Documents to which it is a party, and to carry out and consummate all transactions contemplated by the Borrower Loan Documents to which it is a party, and by proper corporate limited partnership or limited liability company action, as appropriate, has duly authorized the execution, delivery and performance of the Borrower Loan Documents to which it is a party. The Person(s) of the Borrower executing the Borrower Loan Documents and the Funding Loan Documents to which the Borrower is a party are fully authorized to execute the same. The Borrower Loan Documents and the Funding Loan Documents to which the Borrower is a party have been duly authorized, executed and delivered by the Borrower. The sole business of the Borrower is the ownership, management, operation, and leasing of the Project.

Section 4.1.2 Proceedings; Enforceability. Assuming due execution and delivery by the other parties thereto, the Borrower Loan Documents and the Funding Loan Documents to which the Borrower is a party will constitute the legal, valid and binding agreements of the Borrower enforceable against the Borrower in accordance with their terms; except in each case as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the

application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity and by public policy.

Section 4.1.3 No Conflicts. The execution and delivery of the Borrower Loan Documents and the Funding Loan Documents to which the Borrower is a party, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under the Partnership Agreement of the Borrower or to the best knowledge of the Borrower and with respect to the Borrower, any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the Borrower is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Borrower, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Borrower Loan Documents and the Funding Loan Documents, or the financial condition, assets, properties or operations of the Borrower.

Section 4.1.4 Litigation; Adverse Facts. There is no Legal Action, nor is there a basis known to Borrower for any Legal Action, before or by any court or federal, state, municipal or other governmental authority, pending, or to the actual knowledge of the Borrower, threatened in writing, against or affecting the Borrower, the General Partner or the Guarantor, or their respective assets, properties or operations which, if determined adversely to the Borrower or its interests, would have a material adverse effect upon the consummation of the transactions contemplated by, or the validity of, the Borrower Loan Documents or the Funding Loan Documents, upon the ability of each of Borrower, General Partner and Guarantor to perform their respective obligations under the Borrower Loan Documents, the Funding Loan Documents and the Related Documents to which it is a party, or upon the financial condition, assets (including the Project), properties or operations of the Borrower, the General Partner or the Guarantor. None of the Borrower, General Partner or Guarantor is in default (and no event has occurred and is continuing which with the giving of notice or the passage of time or both could constitute a default) with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Borrower Loan Documents and the Funding Loan Documents, the ability of each of Borrower, General Partner and Guarantor to perform their respective obligations under the Borrower Loan Documents, the Funding Loan Documents and the Related Documents to which it is a party, or the financial condition, assets, properties or operations of the Borrower, General Partner or Guarantor. None of Borrower, General Partner or Guarantor to its actual knowledge are (a) in violation of any applicable law, which violation materially and adversely affects or would materially and adversely affect the business, operations, assets (including the Project), condition (financial or otherwise) or prospects of Borrower, General Partner or Guarantor, as applicable; (b) subject to, or in default with respect to, any other Legal Requirement that would have a material adverse effect on the business, operations, assets (including the Project), condition (financial or otherwise) or prospects of Borrower, General Partner or Guarantor, as applicable; or (c) in default with respect to any agreement to which Borrower, General Partner or Guarantor, as applicable, are a party or by which they are bound, which default would have a material adverse effect on the business, operations, assets (including the Project), condition (financial or otherwise) or prospects of Borrower, General Partner or Guarantor, as applicable; and (d) there is no Legal Action pending or, to the actual knowledge of Borrower, threatened in writing against or affecting Borrower, General Partner or Guarantor questioning the validity or the enforceability of this Borrower Loan Agreement or any of the other Borrower Loan Documents or the Funding Loan Documents or of any of the Related Documents. All tax returns (federal, state and local) required to be filed by or on

behalf of the Borrower have been filed, and all taxes shown thereon to be due, including interest and penalties, except such, if any, as are being actively contested by the Borrower in good faith, have been paid or adequate reserves have been made for the payment thereof which reserves, if any, are reflected in the audited financial statements described therein. The Borrower enjoys the peaceful and undisturbed possession of all of the premises upon which it is operating its facilities, subject to the leases of residential tenants in occupancy at closing and at each time this representation is deemed remade.

Section 4.1.5 Agreements; Consents; Approvals. Except as contemplated by the Borrower Loan Documents and the Funding Loan Documents to which Borrower is a party, the Borrower is not a party to any agreement or instrument or subject to any restriction that would materially adversely affect the Borrower, the Project, or the Borrower's business, properties, operations or financial condition or business prospects, except the Permitted Encumbrances. The Borrower is not in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Permitted Encumbrance or any other agreement or instrument to which it is a party or by which it or the Project is bound.

No consent or approval of any trustee or holder of any indebtedness of the Borrower, and to the best knowledge of the Borrower and only with respect to the Borrower, no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority (except no representation is made with respect to any state securities or "blue sky" laws) is necessary in connection with the execution and delivery of the Borrower Loan Documents or the Funding Loan Documents, or the consummation of any transaction herein or therein contemplated, or the fulfillment of or compliance with the terms and conditions hereof or thereof, except as have been obtained or made and as are in full force and effect.

Section 4.1.6 Title. The Borrower shall have marketable title to the Project, free and clear of all Liens except the Permitted Encumbrances. The Security Instrument, when properly recorded in the appropriate records, together with any UCC financing statements required to be filed in connection therewith, will create (i) a valid, perfected first priority lien on the fee (or leasehold, if applicable) interest in the Project and (ii) perfected security interests in and to, and perfected collateral assignments of, all personalty included in the Project (including the leases of residential tenants in occupancy), all in accordance with the terms thereof, in each case subject only to any applicable Permitted Encumbrances. To the Borrower's knowledge, there are no delinquent real property taxes or assessments, including water and sewer charges, with respect to the Project, nor are there any claims for payment for work, labor or materials affecting the Project which are or may become a Lien prior to, or of equal priority with, the Liens created by the Borrower Loan Documents and the Funding Loan Documents.

Section 4.1.7 Survey. To the best knowledge of the Borrower, the survey for the Project delivered to the Governmental Lender and the Construction Funding Lender as of the Closing Date does not fail to reflect any material adverse matter affecting the Project or the title thereto.

Section 4.1.8 No Bankruptcy Filing. The Borrower is not contemplating either the filing of a petition by it under any state or federal bankruptcy or insolvency law or the liquidation of all or a major portion of its property (a "Bankruptcy Proceeding"), and the Borrower has no knowledge of any Person contemplating the filing of any such petition against it. As of the Closing Date, the Borrower has the ability to pay its debts as they become due.

Section 4.1.9 Full and Accurate Disclosure. No statement of fact made by the Borrower in any Borrower Loan Document or any Funding Loan Document contains any untrue statement of a material fact or omits to state any material fact necessary to make statements contained therein in light of the circumstances in which they were made, not misleading. There is no material fact

or circumstance presently known to the Borrower that has not been disclosed to the Governmental Lender and the Funding Lender which materially and adversely affects the Project or the business, operations or financial condition or business prospects of the Borrower or the Borrower's ability to meet its obligations under this Borrower Loan Agreement and the other Borrower Loan Documents and Funding Loan Documents to which it is a party in a timely manner.

Section 4.1.10 No Plan Assets. The Borrower is not an "employee benefit plan," as defined in Section 3(3) of ERISA, subject to Title I of ERISA, and none of the assets of the Borrower constitutes or will constitute "plan assets" of one or more such plans within the meaning of 29 C.F.R. Section 2510.3 101.

Section 4.1.11 Compliance. The Borrower, the Project and the use thereof will comply, to the extent required, in all material respects with all applicable Legal Requirements. The Borrower is not in default or violation of any order, writ, injunction, decree or demand of any Governmental Authority, the violation of which would materially adversely affect the financial condition or business prospects or the business of the Borrower. There has not been committed by the Borrower or any Affiliate of the Borrower involved with the operation or use of the Project any act or omission affording any Governmental Authority the right of forfeiture as against the Project or any part thereof or any moneys paid in performance of the Borrower's obligations under any Borrower Loan Document or any Funding Loan Documents.

Section 4.1.12 Contracts. All service, maintenance or repair contracts affecting the Project have been entered into at arm's length (except for such contracts between the Borrower and its affiliates or the affiliates of the Borrower Controlling Entity of the Borrower) in the ordinary course of the Borrower's business and provide for the payment of fees in amounts and upon terms comparable to existing market rates.

Section 4.1.13 Financial Information. All financial data, including any statements of cash flow and income and operating expense, that have been delivered to the Governmental Lender or the Funding Lender in respect of the Project by or on behalf of the Borrower, to the best knowledge of the Borrower, (i) are accurate and complete in all material respects, (ii) accurately represent the financial condition of the Project as of the date of such reports, and (iii) to the extent prepared by an independent certified public accounting firm, have been prepared in accordance with GAAP consistently applied throughout the periods covered, except as disclosed therein. Other than pursuant to or permitted by the Borrower Loan Documents or the Funding Loan Documents or the Borrower organizational documents, the Borrower has no contingent liabilities, unusual forward or long-term commitments or unrealized or anticipated losses from any unfavorable commitments. Since the date of such financial statements, there has been no Material Adverse Change in the financial condition, operations or business of the Borrower from that set forth in said financial statements.

Section 4.1.14 Condemnation. No Condemnation or other proceeding has been commenced or, to the Borrower's knowledge, is contemplated, threatened in writing or pending with respect to all or part of the Project or for the relocation of roadways providing access to the Project.

Section 4.1.15 Federal Reserve Regulations. No part of the proceeds of the Borrower Loan will be used for the purpose of purchasing or acquiring any "margin stock" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System or for any other purpose that would be inconsistent with such Regulation U or any other regulation of such Board of Governors, or for any purpose prohibited by Legal Requirements or any Borrower Loan Document or Funding Loan Document.

Section 4.1.16 Utilities and Public Access. To the best of the Borrower's knowledge, the Project is or will be served by water, sewer, sanitary sewer and storm drain facilities adequate to service it for its intended uses. All public utilities necessary or convenient to the full use and enjoyment of the Project are or will be located in the public right-of-way abutting the Project, and all such utilities are or will be connected so as to serve the Project without passing over other property absent a valid easement. All roads necessary for the use of the Project for its current purpose have been or will be completed and dedicated to public use and accepted by all Governmental Authorities. Except for Permitted Encumbrances, the Project does not share ingress and egress through an easement or private road or share on-site or off-site recreational facilities and amenities that are not located on the Project and under the exclusive control of the Borrower, or where there is shared ingress and egress or amenities, there exists an easement or joint use and maintenance agreement under which (i) access to and use and enjoyment of the easement or private road and/or recreational facilities and amenities is perpetual, (ii) the number of parties sharing such easement and/or recreational facilities and amenities must be specified, (iii) the Borrower's responsibilities and share of expenses are specified, and (iv) the failure to pay any maintenance fee with respect to an easement will not result in a loss of usage of the easement.

Section 4.1.17 Not a Foreign Person. The Borrower is not a "foreign person" within the meaning of §1445(f)(3) of the Code.

Section 4.1.18 Separate Lots. Each parcel comprising the Land is (or will be) a separate tax lot and is not (or will not be) a portion of any other tax lot that is not a part of the Land.

Section 4.1.19 Assessments. There are no pending or, to the Borrower's best knowledge, proposed special or other assessments for public improvements or otherwise affecting the Project, or any contemplated improvements to the Project that may result in such special or other assessments.

Section 4.1.20 Enforceability. The Borrower Loan Documents and the Funding Loan Documents are not subject to, and the Borrower has not asserted, any right of rescission, set-off, counterclaim or defense, including the defense of usury.

Section 4.1.21 Insurance. The Borrower has obtained the insurance required by this Borrower Loan Agreement and, if applicable, the Construction Funding Agreement and the Security Instrument and has delivered to the Servicer copies of insurance policies or certificates of insurance reflecting the insurance coverages, amounts and other requirements set forth in this Borrower Loan Agreement, if applicable, and the Security Instrument.

Section 4.1.22 Use of Property; Licenses. The Project will be used as a multifamily residential rental project and other appurtenant and related uses, which use is consistent with the zoning classification for the Project. All certifications, permits, licenses and approvals, including certificates of completion and occupancy permits required for the legal use or legal, nonconforming use, as applicable, occupancy and operation of the Project (collectively, the "Licenses") required at this time for the construction, as appropriate, and equipping of the Project have been obtained. To the Borrower's knowledge, all Licenses obtained by the Borrower have been validly issued and are in full force and effect. The Borrower has no reason to believe that any of the Licenses required for the future use and occupancy of the Project and not heretofore obtained by the Borrower will not be obtained by the Borrower in the ordinary course following the Completion Date. No Licenses will terminate, or become void or voidable or terminable, upon any sale, transfer or other disposition of the Project, including any transfer pursuant to foreclosure sale under the Security Instrument or deed in lieu of foreclosure thereunder. The Project does not violate any density or building setback requirements of the applicable zoning law except to the extent, if any, shown on the survey, no proceedings are, to the best of the

Borrower's knowledge, pending or threatened in writing that would result in a change of the zoning of the Project.

Section 4.1.23 Flood Zone. Either all Improvements will be constructed above the flood grade or the Borrower will obtain appropriate flood insurance as directed by the Funding Lender or the Servicer.

Section 4.1.24 Physical Condition. The Project, including all Improvements, parking facilities, systems, fixtures, Equipment and landscaping, are or, after completion of the rehabilitation and/or construction and/or repairs, as appropriate, will be in good and habitable condition in all material respects and in good order and repair in all material respects (reasonable wear and tear excepted). The Borrower has not received notice from any insurance company or bonding company of any defect or inadequacy in the Project, or any part thereof, which would adversely affect its insurability or cause the imposition of extraordinary premiums or charges thereon or any termination of any policy of insurance or bond. The physical configuration of the Project is not in material violation of the ADA, if required under applicable law.

Section 4.1.25 Encroachments. All of the Improvements included in determining the appraised value of the Project will lie wholly within the boundaries and building restriction lines of the Project, and no improvement on an adjoining property encroaches upon the Project, and no easement or other encumbrance upon the Project encroaches upon any of the Improvements, so as to affect the value or marketability of the Project, except those insured against by the Title Insurance Policy or disclosed in the survey of the Project as approved by the Funding Lender.

Section 4.1.26 State Law Requirements. The Borrower hereby represents, covenants and agrees to comply with the provisions of all applicable State laws relating to the Borrower Loan, the Funding Loan and the Project.

Section 4.1.27 Filing and Recording Taxes. All transfer taxes, deed stamps, intangible taxes or other amounts in the nature of transfer taxes required to be paid by any Person under applicable Legal Requirements in connection with the transfer of the Project to the Borrower have been paid. All mortgage, mortgage recording, stamp, intangible or other similar taxes required to be paid by any Person under applicable Legal Requirements in connection with the execution, delivery, recordation, filing, registration, perfection or enforcement of any of the Borrower Loan Documents and the Funding Loan Documents have been or will be paid.

Section 4.1.28 Investment Company Act. The Borrower is not (i) an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended; or (ii) a "holding company" or a "subsidiary company" of a "holding company" or an "affiliate" of either a "holding company" or a "subsidiary company" within the meaning of the Public Utility Holding Company Act of 1935, as amended.

Section 4.1.29 Fraudulent Transfer. The Borrower has not accepted the Borrower Loan or entered into any Borrower Loan Document or Funding Loan Document with the actual intent to hinder, delay or defraud any creditor, and the Borrower has received reasonably equivalent value in exchange for its obligations under the Borrower Loan Documents and the Funding Loan Documents. Giving effect to the transactions contemplated by the Borrower Loan Documents and the Funding Loan Documents, the fair saleable value of the Borrower's assets exceeds and will, immediately following the execution and delivery of the Borrower Loan Documents and the Funding Loan Documents, exceed the Borrower's total liabilities, including subordinated, unliquidated, disputed or contingent liabilities. The fair saleable value of the Borrower's assets is and will, immediately following the execution and delivery

of the Borrower Loan Documents and the Funding Loan Documents, be greater than the Borrower's probable liabilities, including the maximum amount of its contingent liabilities or its debts as such debts become absolute and matured. The Borrower's assets do not and, immediately following the execution and delivery of the Borrower Loan Documents and the Funding Loan Documents will not, constitute unreasonably small capital to carry out its business as conducted or as proposed to be conducted. The Borrower does not intend to, and does not believe that it will, incur debts and liabilities (including contingent liabilities and other commitments) beyond its ability to pay such debts as they mature (taking into account the timing and amounts to be payable on or in respect of obligations of the Borrower).

Section 4.1.30 Ownership of the Borrower. Except as set forth in the Partnership Agreement of the Borrower, the Borrower has no obligation to any Person to purchase, repurchase or issue any ownership interest in it.

Section 4.1.31 Environmental Matters. To the best of Borrower's knowledge and except as disclosed in environmental reports previously delivered to the Funding Lender and the Governmental Lender and in any further remediation letter (the "Prior Environmental Disclosures"), the Project is not in violation of any Legal Requirement pertaining to or imposing liability or standards of conduct concerning environmental regulation, contamination or clean-up, and will comply with covenants and requirements relating to environmental hazards as set forth in the Security Instrument. The Borrower will execute and deliver the Agreement of Environmental Indemnification.

Section 4.1.32 Name; Principal Place of Business. Unless prior Written Notice is given to the Funding Lender, the Borrower does not use and will not use any trade name, and has not done and will not do business under any name other than its actual name set forth herein. The principal place of business of the Borrower is its primary address for notices as set forth in Section 10.1 hereof, and the Borrower has no other place of business, other than the Project and such principal place of business.

Section 4.1.33 Subordinated Debt. There is no secured or unsecured indebtedness with respect to the Project or any residual interest therein, other than Permitted Encumbrances, Subordinate Debt and the permitted secured indebtedness described in Section 6.7 hereof, except an unsecured deferred developer fee not to exceed the amount permitted by Funding Lender as determined on the Closing Date as well as any unsecured operating deficit loans under the Partnership Agreement that are payable solely from Net Cash Flow (as defined in the Partnership Agreement).

Section 4.1.34 Filing of Taxes. The Borrower has filed (or has obtained effective extensions for filing) all federal, state and local tax returns required to be filed and has paid or made adequate provision for the payment of all federal, state and local taxes, charges and assessments, if any, payable by the Borrower.

Section 4.1.35 General Tax. All representations, warranties and certifications of the Borrower set forth in the Regulatory Agreement and the Tax Compliance Agreement are incorporated by reference herein and the Borrower will comply with such as if set forth herein.

Section 4.1.36 Approval of the Borrower Loan Documents and Funding Loan Documents. By its execution and delivery of this Borrower Loan Agreement, the Borrower approves the form and substance of the Borrower Loan Documents and the Funding Loan Documents, and agrees to carry out the responsibilities and duties specified in the Borrower Loan Documents and the Funding Loan Documents to be carried out by the Borrower. The Borrower acknowledges that (a) it understands the nature and structure of the transactions relating to the financing of the Project, (b) it is familiar with the provisions of all of the Borrower Loan Documents and the Funding Loan Documents and other documents and instruments relating to the financing, (c) it understands the risks inherent in such

transactions, including without limitation the risk of loss of the Project, and (d) it has not relied on the Governmental Lender, the Funding Lender or the Servicer for any guidance or expertise in analyzing the financial or other consequences of the transactions contemplated by the Borrower Loan Documents and the Funding Loan Documents or otherwise relied on the Governmental Lender, the Funding Lender or the Servicer in any manner.

Section 4.1.37 Funding Loan Agreement. The Borrower has read and accepts and agrees that it is bound by the Funding Loan Agreement and the Funding Loan Documents.

Section 4.1.38 Americans with Disabilities Act. The Project, as designed, will conform in all material respects with all applicable zoning, planning, building and environmental laws, ordinances and regulations of governmental authorities having jurisdiction over the Project, including, but not limited to, the Americans with Disabilities Act of 1990 ("ADA"), to the extent required (as evidenced by an architect's certificate to such effect).

Section 4.1.39 Requirements of Code and Regulations. The Project satisfies or will satisfy upon Completion all requirements of the Code and the Regulations applicable to the Project.

Section 4.1.40 Regulatory Agreement. The Project is, as of the date of origination of the Funding Loan, in compliance with all requirements of the Regulatory Agreement to the extent such requirements are applicable; and the Borrower intends to cause the residential units in the Project to be rented or available for rental on a basis which satisfies the requirements of the Regulatory Agreement, including all applicable requirements of the Code and the Regulations, and pursuant to leases which comply with all applicable laws.

Section 4.1.41 Intention to Hold Project. The Borrower intends to hold the Project for its own account and has no current plans, and has not entered into any agreement, to sell the Project or any part of it (except for rights granted in the Partnership Agreement); and the Borrower intends to occupy the Project or cause the Project to be occupied and to operate it or cause it to be operated at all times during the term of this Borrower Loan Agreement in compliance with the terms of this Borrower Loan Agreement and the Regulatory Agreement and does not know of any reason why the Project will not be so used by it in the absence of circumstances not now anticipated by it or totally beyond its control.

Section 4.1.42 Concerning General Partner.

(a) The General Partner is an Illinois limited liability company, duly organized and validly existing under the laws of the State. General Partner has all requisite power and authority, rights and franchises to enter into and perform its obligations under the Borrower Loan Documents and the Funding Loan Documents to be executed by such General Partner for its own account and on behalf of Borrower, as General Partner of Borrower, under this Borrower Loan Agreement and the other Borrower Loan Documents and the Funding Loan Documents.

(b) General Partner has made all filings (including, without limitation, all required filings related to the use of fictitious business names) and is in good standing in the State and in each other jurisdiction in which the character of the property it owns or the nature of the business it transacts makes such filings necessary or where the failure to make such filings could have a material adverse effect on the business, operations, assets, condition (financial or otherwise) or prospects of General Partner.

(c) General Partner is duly authorized to do business in the State.

(d) The execution, delivery and performance by Borrower of the Borrower Loan Documents and the Funding Loan Documents have been duly authorized by all necessary action of General Partner on behalf of Borrower, and by all necessary action on behalf of General Partner.

(e) The execution, delivery and performance by General Partner, on behalf of Borrower, of the Borrower Loan Documents and the Funding Loan Documents will not violate (i) the General Partner's organizational documents; (ii) any other Legal Requirement affecting General Partner or any of its properties; or (iii) any agreement to which General Partner is bound or to which it is a party; and will not result in or require the creation (except as provided in or contemplated by this Borrower Loan Agreement) of any Lien upon any of such properties, any of the Collateral or any of the property or funds pledged or delivered to Funding Lender pursuant to the Security Documents.

Section 4.1.43 Government and Private Approvals. All governmental or regulatory orders, consents, permits, authorizations and approvals required for the rehabilitation, construction, use, occupancy and operation of the Improvements, that may be granted or denied in the discretion of any Governmental Authority, have been obtained and are in full force and effect (or, in the case of any of the foregoing that Borrower is not required to have as of the Closing Date, will be obtained), and will be maintained in full force and effect at all times during the rehabilitation and construction of the Improvements. All such orders, consents, permits, authorizations and approvals that may not be denied in the discretion of any Governmental Authority shall be obtained prior to the commencement of any work for which such orders, consents, permits, authorizations or approvals are required, and, once obtained, such orders, consents, permits, authorizations and approvals will be maintained in full force and effect at all times during the construction of the Improvements. Except as set forth in the preceding two sentences, no additional governmental or regulatory actions, filings or registrations with respect to the Improvements, and no approvals, authorizations or consents of any trustee or holder of any indebtedness or obligation of Borrower, are required for the due execution, delivery and performance by Borrower, or General Partner of any of the Borrower Loan Documents or the Funding Loan Documents or the Related Documents executed by Borrower or General Partner, as applicable. All required zoning approvals have been obtained, and the zoning of the Land for the Project is not conditional upon the happening of any further event.

Section 4.1.44 Concerning Guarantor. The Borrower Loan Documents and the Funding Loan Documents to which the Guarantor is a party or a signatory executed simultaneously with this Borrower Loan Agreement have been duly executed and delivered by the Guarantor and are legally valid and binding obligations of Guarantor, enforceable against the Guarantor in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

Section 4.1.45 No Material Defaults. Except as previously disclosed to Funding Lender in writing, there exists no material violation of or material default by Borrower under, and, to the best knowledge of Borrower, no event has occurred which, upon the giving of notice or the passage of time, or both, would constitute a material default with respect to: (i) the terms of any instrument evidencing, securing or guaranteeing any indebtedness secured by the Project or any portion or interest thereof or therein; (ii) any lease or other agreement affecting the Project or to which Borrower is a party; (iii) any license, permit, statute, ordinance, law, judgment, order, writ, injunction, decree, rule or regulation of any Governmental Authority, or any determination or award of any arbitrator to which Borrower or the Project may be bound; or (iv) any mortgage, instrument, agreement or document by which Borrower or any of its respective properties is bound; in the case of any of the foregoing: (1) which involves any Borrower Loan Document or Funding Loan Document; (2) which involves the

Project and is not adequately covered by insurance; (3) that might materially and adversely affect the ability of Borrower, General Partner or Guarantor to perform any of its respective obligations under any of the Borrower Loan Documents or the Funding Loan Documents or any other material instrument, agreement or document to which it is a party; or (4) which might adversely affect the priority of the Liens created by this Borrower Loan Agreement or any of the Borrower Loan Documents or the Funding Loan Documents.

Section 4.1.46 Payment of Taxes. Except as previously disclosed to Funding Lender in writing: (i) all tax returns and reports of Borrower, General Partner and Guarantor required to be filed have been timely filed, and all taxes, assessments, fees and other governmental charges upon Borrower, General Partner and Guarantor, and upon their respective properties, assets, income and franchises, which are due and payable have been paid when due and payable; and (ii) Borrower knows of no proposed tax assessment against it or against General Partner or Guarantor that would be material to the condition (financial or otherwise) of Borrower, General Partner or Guarantor, and neither Borrower, nor General Partner have contracted with any Government Authority in connection with such taxes.

Section 4.1.47 Rights to Project Agreements and Licenses. Borrower is the legal and beneficial owner of all rights in and to the Plans and Specifications and all existing Project Agreements and Licenses, and will be the legal and beneficial owner of all rights in and to all future Project Agreements and Licenses. Borrower's interest in the Plans and Specifications and all Project Agreements and Licenses is not subject to any present claim (other than under the Borrower Loan Documents and the Funding Loan Documents, the Subordinate Loan Documents or as otherwise approved by Funding Lender in its sole discretion), set-off or deduction other than in the ordinary course of business.

Section 4.1.48 Patriot Act Compliance. Borrower is not now, nor has ever been (i) listed on any Government Lists (as defined below), (ii) a person who has been determined by a Governmental Authority to be subject to the prohibitions contained in Presidential Executive Order No. 13224 (Sept. 23, 2001) or any other similar prohibitions contained in the rules and regulations of OFAC or in any enabling legislation or other Presidential Executive Orders in respect thereof, (iii) indicted for or convicted of any felony involving a crime or crimes of moral turpitude or for any Patriot Act Offense, or (iv) under investigation by any Governmental Authority for alleged criminal activity. For purposes hereof, the term "Patriot Act Offense" shall mean any violation of the criminal laws of the United States of America or of any of the several states, or that would be a criminal violation if committed within the jurisdiction of the United States of America or any of the several states, relating to terrorism or the laundering of monetary instruments, including any offense under (A) the criminal laws against terrorism; (B) the criminal laws against money laundering, (C) Bank Representative Secrecy Act, as amended, (D) the Money Laundering Control Act of 1986, as amended, or (E) the Patriot Act. "Patriot Act Offense" also includes the crimes of conspiracy to commit, or aiding and abetting another to commit, a Patriot Act Offense. For purposes hereof, the term "Government Lists" shall mean (1) the Specially Designated Nationals and Blocked Persons Lists maintained by the Office of Foreign Assets Control ("OFAC"), (2) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the Rules and Regulations of OFAC that Funding Lender notified Borrower in writing is now included in "Government Lists", or (3) any similar lists maintained by the United States Department of State, the United States Department of Commerce or any other Government Authority or pursuant to any Executive Order of the President of the United States of America that Funding Lender notified Borrower in writing is now included in "Government Lists".

Section 4.1.49 Rent Schedule. Intentionally omitted.

Section 4.1.50 Other Documents. Each of the representations and warranties of Borrower or General Partner contained in any of the other Borrower Loan Documents or the Funding

Loan Documents or Related Documents is true and correct in all material respects (or, in the case of representations or warranties contained in any of the other Borrower Loan Documents or Funding Loan Documents or Related Documents that speak as of a particular date, were true and correct in all material respects as of such date). All of such representations and warranties are incorporated herein for the benefit of Funding Lender.

Section 4.1.51 Subordinate Loan Documents. The Subordinate Loan Documents are in full force and effect and the Borrower has paid all commitment fees (if any) and other amounts due and payable to the Subordinate Lender(s) thereunder. There exists no material violation of or material default by the Borrower under, and no event has occurred which, upon the giving of notice or the passage of time, or both, would constitute a material default under the Subordinate Loan Documents.

Section 4.2. Survival of Representations and Covenants. All of the representations and warranties in Section 4.1 hereof and elsewhere in the Borrower Loan Documents (i) shall survive for so long as any portion of the Borrower Payment Obligations remains due and owing and (ii) shall be deemed to have been relied upon by the Governmental Lender and the Servicer notwithstanding any investigation heretofore or hereafter made by the Governmental Lender or the Servicer or on its or their behalf, provided, however, that the representations, warranties and covenants set forth in Section 4.1.31 hereof shall survive in perpetuity and shall not be subject to the exculpation provisions of Section 11.1 hereof.

ARTICLE V
AFFIRMATIVE COVENANTS

During the term of this Borrower Loan Agreement, the Borrower hereby covenants and agrees with the Governmental Lender, the Funding Lender and the Servicer that:

Section 5.1. Existence. The Borrower shall (i) do or cause to be done all things necessary to preserve, renew and keep in full force and effect its existence and its material rights, and franchises, (ii) continue to engage in the business presently conducted by it, (iii) obtain and maintain all material Licenses, and (iv) qualify to do business and remain in good standing under the laws of the State.

Section 5.2. Taxes and Other Charges. The Borrower shall pay all Taxes and Other Charges as the same become due and payable and prior to their becoming delinquent in accordance with the Security Instrument, except to the extent that the amount, validity or application thereof is being contested in good faith as permitted by the Security Instrument.

The Borrower covenants to pay all taxes and Other Charges of any type or character charged to the Funding Lender affecting the amount available to the Funding Lender from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and Other Charges assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Funding Lender and taxes based upon or measured by the net income of the Funding Lender; provided, however, that the Borrower shall have the right to protest any such taxes or Other Charges and to require the Funding Lender, at the Borrower's expense, to protest and contest any such taxes or Other Charges levied upon them and that the Borrower shall have the right to withhold payment of any such taxes or Other Charges pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Funding Lender. This obligation shall remain valid and in effect notwithstanding repayment of the Borrower Loan hereunder or termination of this Borrower Loan Agreement.

Section 5.3. Repairs; Maintenance and Compliance; Physical Condition. The Borrower shall cause the Project to be maintained in a good, habitable and safe (so as to not threaten the health or safety of the Project's tenants or their invited guests) condition and repair (reasonable wear and tear excepted) as set forth in the Security Instrument and shall not remove, demolish or materially alter the Improvements or Equipment (except for removal of aging or obsolete equipment or furnishings in the normal course of business), except as provided in the Security Instrument.

Section 5.4. Litigation. The Borrower shall give prompt Written Notice to the Governmental Lender, the Funding Lender and the Servicer of any litigation, governmental proceedings or claims or investigations regarding an alleged actual violation of a Legal Requirement pending of which it is aware or, to the Borrower's actual knowledge, threatened in writing against the Borrower which might materially adversely affect the Borrower's condition (financial or otherwise) or business or the Project.

Section 5.5. Performance of Other Agreements. The Borrower shall observe and perform in all material respects each and every term to be observed or performed by it pursuant to the terms of any agreement or instrument materially affecting or pertaining to the Project.

Section 5.6. Notices. The Borrower shall promptly advise the Governmental Lender, the Funding Lender and the Servicer of (i) any Material Adverse Change in the Borrower's financial condition, assets, properties or operations other than general changes in the real estate market, (ii) any fact or circumstance affecting the Borrower or the Project that materially and adversely affects the Borrower's ability to meet its obligations hereunder or under any of the other Borrower Loan Document to which it is a party in a timely manner, or (iii) the occurrence of any Potential Default or Event of Default of which the Borrower has knowledge. If the Borrower becomes subject to federal or state securities law filing requirements, the Borrower shall cause to be delivered to the Governmental Lender, the Funding Lender and the Servicer any Securities and Exchange Commission or other public filings, if any, of the Borrower within two (2) Business Days of such filing.

Section 5.7. Cooperate in Legal Proceedings. The Borrower shall cooperate fully with the Governmental Lender, the Funding Lender and the Servicer with respect to, and permit the Governmental Lender, the Funding Lender and the Servicer at their option, to participate in, any proceedings before any Governmental Authority that may in any way affect the rights of the Governmental Lender, the Funding Lender and/or the Servicer under any Borrower Loan Document or Funding Loan Document.

Section 5.8. Further Assurances. The Borrower shall, at the Borrower's sole cost and expense (except as provided in Section 9.1 hereof), (i) furnish to the Servicer and the Funding Lender all instruments, documents, boundary surveys, footing or foundation surveys (to the extent that Borrower's construction or renovation of the Project alters any existing building foundations or footprints), certificates, plans and specifications, appraisals, title and other insurance reports and agreements, reasonably requested by the Servicer or the Funding Lender for the better and more efficient carrying out of the intents and purposes of the Borrower Loan Documents and the Funding Loan Documents; (ii) execute and deliver to the Servicer and the Funding Lender such documents, instruments, certificates, assignments and other writings, and do such other acts necessary or desirable, to evidence, preserve and/or protect the collateral at any time securing or intended to secure the Borrower Loan, as the Servicer and the Funding Lender may reasonably require from time to time; (iii) do and execute all and such further lawful and reasonable acts, conveyances and assurances for the better and more effective carrying out of the intents and purposes of the Borrower Loan Documents and the Funding Loan Documents, as the Servicer or the Funding Lender shall reasonably require from time to time; provided, however, with respect to clauses (i)-(iii) above, the Borrower shall not be required to do anything that has the effect of (A) changing the essential economic terms of the Borrower Loan or (B) imposing upon the Borrower greater personal liability under the Borrower Loan Documents and the Funding Loan Documents; and

(iv) upon the Servicer's or the Funding Lender's request therefor given from time to time after the occurrence of any Potential Default or Event of Default for so long as such Potential Default or Event of Default, as applicable, is continuing pay for (a) reports of UCC, federal tax lien, state tax lien, judgment and pending litigation searches with respect to the Borrower and (b) searches of title to the Project, each such search to be conducted by search firms reasonably designated by the Servicer or the Funding Lender in each of the locations reasonably designated by the Servicer or the Funding Lender.

Section 5.9. Delivery of Financial Information. After notice to the Borrower of the need for a Secondary Market Disclosure Document in connection with a Secondary Market Transaction, the Borrower shall, concurrently with any delivery to the Funding Lender or the Servicer, deliver copies of all financial information required under Article IX.

Section 5.10. Environmental Matters. So long as the Borrower owns or is in possession of the Project, the Borrower shall (a) keep the Project in compliance with all Hazardous Materials Laws (as defined in the loan documents with the Funding Lenders), (b) promptly notify the Funding Lender and the Servicer if the Borrower shall become aware that any Hazardous Materials (as defined in the loan documents with the Funding Lenders) are on or near the Project in violation of Hazardous Materials Laws, and (c) commence and thereafter diligently prosecute to completion all remedial work necessary with respect to the Project as required under any Hazardous Material Laws, in each case as set forth in the Security Instruments or the Agreement of Environmental Indemnification.

Section 5.11. Governmental Lender's and Funding Lender's Fees. The Borrower covenants to pay the reasonable fees and expenses of the Governmental Lender (including the Ongoing Governmental Lender Fee) and the Funding Lender or any agents, attorneys, accountants, consultants selected by the Governmental Lender or the Funding Lender to act on its behalf in connection with this Borrower Loan Agreement and the other Borrower Loan Documents, the Regulatory Agreement and the Funding Loan Documents, including, without limitation, any and all reasonable expenses incurred in connection with the making of the Borrower Loan or in connection with any litigation which may at any time be instituted involving the Borrower Loan, this Borrower Loan Agreement, the other Borrower Loan Documents, the Regulatory Agreement and the Funding Loan Documents or any of the other documents contemplated thereby, or in connection with the reasonable supervision or inspection of the Borrower, its properties, assets or operations or otherwise in connection with the administration of the foregoing. This obligation shall remain valid and in effect notwithstanding repayment of the Borrower Loan hereunder or termination of this Borrower Loan Agreement.

Section 5.12. Estoppel Statement. The Borrower shall furnish to the Funding Lender or the Servicer for the benefit of the Funding Lender or the Servicer within ten (10) days after request by the Funding Lender and the Servicer, with a statement, duly acknowledged and certified, setting forth, as applicable, with respect to the Borrower Note, (i) the unpaid principal of the Borrower Note, (ii) the applicable Interest Rate, (iii) the date installments of interest and/or principal were last paid, (iv) any offsets or defenses to the payment of the Borrower Payment Obligations, and (v) that the Borrower Loan Documents and the Funding Loan Documents to which the Borrower is a party are valid, legal and binding obligations of the Borrower and have not been modified or, if modified, giving particulars of such modification, and no Event of Default exists thereunder or specify any Event of Default that does exist thereunder; provided that the Funding Lender and the Servicer shall not make such requests more frequently than twice in any year, provided that the foregoing limitation shall not apply during the existence of an Event of Default or with respect to any request made by Funding Lender in connection with the proposed transfer or sale of the Borrower Note. The Borrower shall use commercially reasonable efforts to furnish to the Funding Lender or the Servicer, within 30 days of a request by the Funding Lender or Servicer, tenant estoppel certificates from each commercial tenant at the Project, if

any, in form and substance reasonably satisfactory to the Funding Lender and the Servicer; provided that the Funding Lender and the Servicer shall not make such requests more frequently than twice in any year.

Section 5.13. Defense of Actions. The Borrower shall appear in and defend any action or proceeding purporting to affect the security for this Borrower Loan Agreement hereunder or under the Borrower Loan Documents and the Funding Loan Documents, and shall pay, in the manner required by Section 2.4 hereof, all actual costs and expenses, including the cost of evidence of title and attorneys' fees, in any such action or proceeding in which Funding Lender may appear. If the Borrower fails to perform any of the covenants or agreements contained in this Borrower Loan Agreement or any other Borrower Loan Document, or if any action or proceeding is commenced that is not diligently defended by the Borrower which affects the Funding Lender's interest in the Project or any part thereof, including eminent domain, code enforcement or proceedings of any nature whatsoever under any Federal or state law, whether now existing or hereafter enacted or amended, then the Funding Lender may make such appearances, disburse such sums and take such action as the Funding Lender deems necessary or appropriate to protect its interests. Such actions include disbursement of attorneys' fees, entry upon the Project to make repairs or take other action to protect the security of the Project, and payment, purchase, contest or compromise of any encumbrance, charge or lien which in the judgment of Funding Lender appears to be prior or superior to the Borrower Loan Documents or the Funding Loan Documents. The Funding Lender shall have no obligation to do any of the above. The Funding Lender may take any such action without notice to or demand upon the Borrower. No such action shall release the Borrower from any obligation under this Borrower Loan Agreement or any of the other Borrower Loan Documents or Funding Loan Documents. In the event (i) that the Security Instrument is foreclosed in whole or in part or that any Borrower Loan Document is put into the hands of an attorney for collection, suit, action or foreclosure, or (ii) of the foreclosure of any mortgage, deed of trust or deed to secure debt prior to or subsequent to the Security Instrument or any Borrower Loan Document in which proceeding the Funding Lender is made a party or (iii) of the bankruptcy of the Borrower or an assignment by the Borrower for the benefit of its creditors, the Borrower shall be chargeable with and agrees to pay all costs of collection and defense, including actual attorneys' fees in connection therewith and in connection with any appellate proceeding or post-judgment action involved therein, which shall be due and payable together with all required service or use taxes.

Section 5.14. Expenses. The Borrower shall pay all reasonable expenses incurred by the Governmental Lender, the Funding Lender and the Servicer (except as provided in Section 9.1 hereof) in connection with the Borrower Loan and the Funding Loan, including reasonable fees and expenses of the Governmental Lender's, the Funding Lender's and the Servicer's attorneys, environmental, engineering and other consultants, and fees, charges or taxes for the recording or filing of Borrower Loan Documents and the Funding Loan Documents. The Borrower shall pay or cause to be paid all reasonable expenses of the Governmental Lender, the Funding Lender and the Servicer (except as provided in Section 9.1 hereof) in connection with the issuance or administration of the Borrower Loan and the Funding Loan, including audit costs, inspection fees, settlement of condemnation and casualty awards, and premiums for title insurance and endorsements thereto. The Borrower shall, upon request, promptly reimburse the Governmental Lender, the Funding Lender and the Servicer for all reasonable amounts expended, advanced or incurred by the Governmental Lender, the Funding Lender and the Servicer to collect the Borrower Note, or to enforce the rights of the Governmental Lender, the Funding Lender and the Servicer under this Borrower Loan Agreement or any other Borrower Loan Document, or to defend or assert the rights and claims of the Governmental Lender, the Funding Lender and the Servicer under the Borrower Loan Documents and the Funding Loan Documents arising out of an Event of Default or with respect to the Project (by litigation or other proceedings) arising out of an Event of Default, which amounts will include all court costs, attorneys' fees and expenses, fees of auditors and accountants, and investigation expenses as may be reasonably incurred by the Governmental Lender, the Funding Lender and the Servicer in connection with any such matters (whether or not litigation is instituted), together with interest

at the Default Rate on each such amount from the Date of Disbursement until the date of reimbursement to the Governmental Lender, the Funding Lender and the Servicer, all of which shall constitute part of the Borrower Loan and the Funding Loan and shall be secured by the Borrower Loan Documents and the Funding Loan Documents. The obligations and liabilities of the Borrower under this Section 5.14 shall survive the Term of this Borrower Loan Agreement and the exercise by the Governmental Lender, the Funding Lender or the Servicer, as the case may be, of any of its rights or remedies under the Borrower Loan Documents and the Funding Loan Documents, including the acquisition of the Project by foreclosure or a conveyance in lieu of foreclosure. Notwithstanding the foregoing, the Borrower shall not be obligated to pay amounts incurred as a result of the fraud, gross negligence or willful misconduct of any other party, and any obligations of the Borrower to pay for environmental inspections or audits will be governed by the Agreement of Environmental Indemnification.

Section 5.15. Indemnity. In addition to its other obligations hereunder, and in addition to any and all rights of reimbursement, indemnification, subrogation and other rights of Governmental Lender or Funding Lender pursuant hereto and under law or equity, to the fullest extent permitted by law, the Borrower agrees to indemnify, hold harmless and defend the Governmental Lender, the Funding Lender, the Servicer, the Beneficiary Parties, and each of their respective officers, directors, employees, attorneys and agents (each an "Indemnified Party"), against any and all losses, damages, claims, actions, liabilities, reasonable costs and expenses of any nature, kind or character (including, without limitation, reasonable attorneys' fees, litigation and court costs, amounts paid in settlement (to the extent that the Borrower has consented to such settlement) and amounts paid to discharge judgments) (hereinafter, the "Liabilities") to which the Indemnified Parties, or any of them, may become subject under federal or state securities laws or any other statutory law or at common law or otherwise, to the extent arising out of or based upon or in any way relating to:

(a) The Borrower Loan Documents and the Funding Loan Documents or the execution or amendment thereof or in connection with transactions contemplated thereby, including the sale, transfer or resale of the Borrower Loan or the Funding Loan, except with respect to any Secondary Market Disclosure Document (other than any Borrower's obligations under Article IX);

(b) Any act or omission of the Borrower or any of its agents, contractors, servants, employees or licensees in connection with the Borrower Loan, the Funding Loan or the Project, the operation of the Project, or the condition, environmental or otherwise, occupancy, use, possession, conduct or management of work done in or about, or from the planning, design, acquisition, rehabilitation, construction, installation of, the Project or any part thereof;

(c) Any lien (other than a Permitted Encumbrance) or charge upon payments by the Borrower to the Governmental Lender or the Funding Lender hereunder, or any taxes (including, without limitation, all ad valorem taxes and sales taxes), assessments, impositions and Other Charges imposed on the Governmental Lender or the Funding Lender in respect of any portion of the Project;

(d) Any violation of any environmental law, rule or regulation with respect to, or the release of any toxic substance from, the Project or any part thereof during the period in which the Borrower is in possession or control of the Project, except as disclosed in the Prior Environmental Disclosures;

(e) The enforcement of, or any action taken by the Governmental Lender or the Funding Lender related to remedies under, this Borrower Loan Agreement and the other Borrower Loan Documents and the Funding Loan Documents;

(f) [Reserved];

(g) Any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact by the Borrower made in the course of Borrower applying for the Borrower Loan or the Funding Loan or contained in any of the Borrower Loan Documents or Funding Loan Documents to which the Borrower is a party;

(h) Any Determination of Taxability;

(i) Any breach (or alleged breach) by Borrower of any representation, warranty or covenant made in or pursuant to this Borrower Loan Agreement or in connection with any written or oral representation, presentation, report, appraisal or other information given or delivered by Borrower, General Partner, Guarantor or their Affiliates to Governmental Lender, the Funding Lender, Servicer or any other Person in connection with Borrower's application for the Borrower Loan and the Funding Loan (including, without limitation, any breach or alleged breach by Borrower of any agreement with respect to the provision of any substitute credit enhancement);

(j) any failure (or alleged failure) by Borrower, the Funding Lender or Governmental Lender to comply with applicable federal and state laws and regulations pertaining to the making of the Borrower Loan and the Funding Loan;

(k) the Project, or the condition, occupancy, use, possession, conduct or management of, or work done in or about, or from the planning, design, acquisition, installation, construction of, the Project or any part thereof; or

(l) the use of the proceeds of the Borrower Loan and the Funding Loan,

except in the case of the foregoing indemnification of the Governmental Lender, the Funding Lender or the Servicer or any related Indemnified Party, to the extent such damages are caused by the fraud, gross negligence or willful misconduct of such Indemnified Party.

Without limiting the foregoing, to the fullest extent permitted by law, the Borrower agrees to indemnify, hold harmless and defend the Governmental Lender, and each of its officers, officials, directors, employees, attorneys and agents ("City Indemnified Parties") against any Liability to which the City Indemnified Parties, or any of them, may become subject under federal or state securities laws or any other statutory law or at common law or otherwise, to the extent arising out of or based upon or in any way relating to any declaration of taxability of interest on the Funding Loan or allegations (or regulatory inquiry) that interest on the Funding Loan is taxable for federal income tax purposes, except to the extent such damages are caused by the fraud, gross negligence or willful misconduct of a City Indemnified Party.

Notwithstanding anything herein to the contrary, the Borrower's indemnification obligations to the parties specified in Section 9.1.4 hereof with respect to any securitization or Secondary Market Transaction described in Article IX hereof shall be limited to the indemnity set forth in Section 9.1.4 hereof. In the event that any action or proceeding is brought against any Indemnified Party with respect to which indemnity may be sought hereunder, the Borrower, upon written notice from the Indemnified Party (which notice shall be timely given so as not to materially impair the Borrower's right to defend), shall assume the investigation and defense thereof, including the employment of counsel reasonably approved by the Indemnified Party, and shall assume the payment of all expenses related thereto, with full power to litigate, compromise or settle the same in its sole discretion; provided that the Indemnified Party shall have the right to review and approve or disapprove any such compromise or settlement, which

approval shall not be unreasonably withheld or delayed. Each Indemnified Party shall have the right upon prior written notice to the Borrower to employ separate counsel in any such action or proceeding and to participate in the investigation and defense thereof; provided, however, the Governmental Lender shall have the absolute right upon prior written notice to the Borrower to employ separate counsel at the expense of the Borrower. The Borrower shall pay the reasonable fees and expenses of such separate counsel; provided, however, that such Indemnified Party may only employ separate counsel at the expense of the Borrower if and only if in such Indemnified Party's good faith judgment (based on the advice of counsel) a conflict of interest exists or could arise by reason of common representation, except that the Borrower shall always pay the reasonable fees and expenses of the Governmental Lender's separate counsel.

Notwithstanding any transfer of the Project to another owner in accordance with the provisions of this Borrower Loan Agreement or the Regulatory Agreement, the Borrower shall remain obligated to indemnify each Indemnified Party pursuant to this Section 5.15 if such subsequent owner fails to indemnify any party entitled to be indemnified hereunder, unless the Governmental Lender and the Funding Lender have consented to such transfer and to the assignment of the rights and obligations of the Borrower hereunder.

The rights of any persons to indemnity and the right to payment of fees and reimbursement of expenses hereunder shall survive the final payment or defeasance of the Borrower Loan and the Funding Loan and in the case of the Servicer, any resignation or removal. The provisions of this Section 5.15 shall survive the termination of this Borrower Loan Agreement.

Nothing in this Section 5.15 shall in any way limit the Borrower's indemnification and other payment obligations set forth in the Regulatory Agreement.

Section 5.16. No Warranty of Condition or Suitability by the Governmental Funding Lender. Neither the Governmental Lender nor the Funding Lender makes any warranty, either express or implied, as to the condition of the Project or that it will be suitable for the Borrower's purposes or needs.

Section 5.17. Right of Access to the Project. The Borrower agrees that the Governmental Lender, the Funding Lender, the Servicer and the Construction Consultant, and their duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but no obligation at all reasonable times during business hours and upon reasonable notice, to enter onto the Land (a) to examine, test and inspect the Project without material interference or prejudice to the Borrower's operations or the rights of any tenants in occupancy and (b) to perform such work in and about the Project made necessary by reason of the Borrower's default under any of the provisions of this Borrower Loan Agreement. The Governmental Lender, the Funding Lender, the Servicer, and their duly authorized agents, attorneys, accountants and representatives shall also be permitted, without any obligation to do so, at all reasonable times and upon reasonable notice during business hours, to examine the books and records of the Borrower with respect to the Project.

Section 5.18. Notice of Default. The Borrower will advise the Governmental Lender, the Funding Lender, and the Servicer promptly in writing of the occurrence of any Potential Default or Event of Default hereunder of which it is actually aware, specifying the nature and period of existence of such event and the actions being taken or proposed to be taken with respect thereto.

Section 5.19. Covenant with Governmental Lender and Funding Lender. The Borrower agrees that this Borrower Loan Agreement is executed and delivered in part to induce the purchase by others of the Governmental Lender Note and, accordingly, all covenants and agreements of the Borrower contained in this Borrower Loan Agreement are hereby declared to be for the benefit of the Governmental

Lender, the Funding Lender and any lawful owner, holder or pledgee of the Borrower Note or the Governmental Lender Note from time to time.

Section 5.20. Obligation of the Borrower to Rehabilitate the Project. The Borrower shall proceed with reasonable dispatch to rehabilitate, as appropriate, and equip the Project. If the proceeds of the Borrower Loan, together with the Other Borrower Moneys, available to be disbursed to the Borrower are not sufficient to pay the costs of such rehabilitation and/or construction, as appropriate, and equipping, the Borrower shall pay such additional costs from its own funds. The Borrower shall not be entitled to any reimbursement from the Governmental Lender, the Funding Lender or the Servicer in respect of any such costs or to any diminution or abatement in the repayment of the Borrower Loan. The Governmental Lender and the Funding Lender shall not be liable to the Borrower or any other person if for any reason the Project is not completed or if the proceeds of the Borrower Loan are insufficient to pay all costs of the Project. The Governmental Lender and the Funding Lender do not make any representation or warranty, either express or implied, that moneys, if any, which will be made available to the Borrower will be sufficient to complete the Project, and the Governmental Lender and the Funding Lender shall not be liable to the Borrower or any other person if for any reason the Project is not completed.

Section 5.21. Maintenance of Insurance. Borrower will maintain the insurance required by the Construction Funding Agreement or the Security Instrument, as applicable.

Section 5.22. Information; Statements and Reports. Borrower shall furnish or cause to be furnished to Governmental Lender and Funding Lender:

(a) Notice of Default. As soon as possible, and in any event not later than five (5) Business Days after the occurrence of any Event of Default or Potential Default of which it is actually aware, a statement of an Authorized Representative of Borrower describing the details of such Event of Default or Potential Default and any curative action Borrower proposes to take;

(b) Financial Statements; Rent Rolls. In the manner and to the extent required under the Security Instrument, such financial statements, expenses statements, rent rolls, reports and other financial documents and information as required by the Security Instrument and the other Borrower Loan Documents and Funding Loan Documents, in the form and within the time periods required therein;

(c) General Partner. As soon as available and in any event within one hundred twenty (120) days after the end of each fiscal year of General Partner, copies of the financial statements of General Partner as of such date, prepared in substantially the form previously delivered to the Governmental Lender and Funding Lender and in a manner consistent therewith, or in such form (which may include a form prepared in accordance with GAAP) as Funding Lender may reasonably request;

(d) Leasing Reports. Prior to the Conversion Date, On a monthly basis (and in any event within fifteen (15) days after the end of each Calendar Month), a report of all efforts made by Borrower, if any, to lease all or any portion of the Project during such Calendar Month and on a cumulative basis since Project inception, which report shall be prepared and delivered by Borrower, shall be in form and substance satisfactory to Funding Lender, and shall, if requested by Funding Lender, be supported by copies of letters of intent, leases or occupancy agreements, as applicable;

(e) Audit Reports. Promptly upon receipt thereof, copies of all reports, if any, submitted to Borrower by independent public accountants in connection with each annual, interim

or special audit of the financial statements of Borrower made by such accountants, including the comment letter submitted by such accountants to management in connection with their annual audit;

(f) Notices; Certificates or Communications. Immediately upon giving or receipt thereof, copies of any notices, certificates or other communications delivered at the Project or to Borrower or General Partner naming Governmental Lender or Funding Lender as addressee or which could reasonably be deemed to affect the structural integrity of the Project or the ability of Borrower to perform its obligations under the Borrower Loan Documents and the Funding Loan Documents;

(g) Certification of Non-Foreign Status. Promptly upon request of Funding Lender from time to time, a Certification of Non-Foreign Status, executed on or after the date of such request by Funding Lender;

(h) Compliance Certificates. Together with each of the documents required pursuant to Section 5.22(b) hereof submitted by or on behalf of Borrower, a statement, in form and substance satisfactory to Funding Lender and certified by an Authorized Borrower Representative, to the effect that Borrower is in compliance with all covenants, terms and conditions applicable to Borrower, under or pursuant to the Borrower Loan Documents and the Funding Loan Documents and under or pursuant to any other Debt owing by Borrower to any Person, and disclosing any noncompliance therewith, and any Event of Default or Potential Default, and describing the status of Borrower's actions to correct such noncompliance, Event of Default or Potential Default, as applicable; and

(i) Other Items and Information. Such other information concerning the assets, business, financial condition, operations, property, prospects and results of operations of Borrower, General Partner, Guarantor or the Project, as Funding Lender or Governmental Lender reasonably requests from time to time.

Section 5.23. Additional Notices. Borrower will, promptly after becoming aware thereof, give notice to Funding Lender and the Governmental Lender of:

(a) any Lien affecting the Project, or any part thereof, other than Permitted Encumbrances and Liens expressly permitted under this Borrower Loan Agreement;

(b) any Legal Action which is instituted by or against Borrower, General Partner or Guarantor, or any Legal Action which is threatened in writing against Borrower, General Partner or Guarantor which, in any case, if adversely determined, could have a material adverse effect upon the business, operations, properties, prospects, assets, management, ownership or condition (financial or otherwise) of Borrower, General Partner, Guarantor or the Project;

(c) any Legal Action which constitutes an Event of Default or a Potential Default or a default under any other Contractual Obligation to which Borrower, General Partner or Guarantor is a party or by or to which Borrower, General Partner or Guarantor, or any of their respective properties or assets, may be bound or subject, which default would have a material adverse effect on the business, operations, assets (including the Project), condition (financial or otherwise) or prospects of Borrower, General Partner or Guarantor, as applicable;

(d) any default, alleged default (alleged in writing) or potential default on the part of Borrower under any of the CC&R's (together with a copy of each notice of default, alleged default or potential default received from any other party thereto);

(e) any notice of default, alleged default (alleged in writing) or potential default on the part of Borrower received from any tenant or occupant of the Project under or relating to its lease or occupancy agreement (together with a copy of any such notice), if, in the aggregate, notices from at least fifteen percent (15%) of the tenants at the Project have been received by Borrower with respect to, or alleging, the same default, alleged default or potential default;

(f) any change or contemplated change in (i) the location of Borrower's or General Partner's executive headquarters or principal place of business; (ii) the legal, trade, or fictitious business names used by Borrower or General Partner; or (iii) the nature of the trade or business of Borrower; and

(g) any default, alleged default (alleged in writing) or potential default on the part of any general or limited partner (including, without limitation, General Partner and the Equity Investor) under the Partnership Agreement.

Section 5.24. Compliance with Other Agreements; Legal Requirements.

(a) Borrower shall timely perform and comply with, and shall cause General Partner to timely perform and comply with the covenants, agreements, obligations and restrictions imposed on them under the Partnership Agreement, and Borrower shall not do or permit to be done anything to impair any such party's rights or interests under any of the foregoing.

(b) Borrower will comply in all material respects and, to the extent it is able, will require others to comply in all material respects with, all Legal Requirements of all Governmental Authorities having jurisdiction over the Project or rehabilitation and/or construction of the Improvements, and will furnish Funding Lender with reports of any official searches for or notices of violation of any requirements established by such Governmental Authorities. Borrower will comply in all material respects and, to the extent it is able, will require others to comply in all material respects, with applicable CC&R's and all restrictive covenants and all obligations created by private contracts and leases which affect ownership, construction, equipping, fixturing, use or operation of the Project, and all other agreements requiring a certain percentage of the Units to be rented to persons of low or moderate income. The Improvements, when completed, shall comply in all material respects with all applicable building, zoning and other Legal Requirements, and will not violate any restrictions of record against the Project or the terms of any other lease of all or any portion of the Project. Funding Lender shall at all times have the right to audit, at Borrower's expense, Borrower's compliance with any agreement requiring a certain percentage of the Units to be rented to persons of low or moderate income, and Borrower shall supply all such information with respect thereto as Funding Lender may request and otherwise cooperate with Funding Lender in any such audit. Without limiting the generality of the foregoing, Borrower shall properly obtain, comply in all material respects with and keep in effect (and promptly deliver copies to Funding Lender of) all permits, licenses and approvals which are required to be obtained from Governmental Authorities in order to construct, occupy, operate, market and lease the Project.

Section 5.25. Completion and Maintenance of Project. Borrower shall cause the rehabilitation and/or construction, as the case may be, of the Improvements, to be prosecuted with diligence and continuity and completed substantially in accordance with the Plans and Specifications, and

in accordance with the Construction Funding Agreement, free and clear of any liens or claims for liens (but without prejudice to Borrower's rights of contest under Section 10.16 hereof) ("Completion") on or before the Completion Date. Borrower shall thereafter maintain the Project and the related and appurtenant uses as a residential apartment complex in good order and condition, ordinary wear and tear excepted. A maintenance program shall be in place at all times to assure the continuation of first class maintenance, which shall mean and be no less than the highest quality of maintenance provided by the Property Manager for similarly situated properties managed by the Property Manager.

Section 5.26. Fixtures. Borrower shall deliver to Funding Lender, on demand, any contracts, bills of sale, statements, receipted vouchers or agreements under which Borrower or any other Person claims title to any materials, fixtures or articles incorporated into the Improvements.

Section 5.27. Income from Project. Borrower shall first apply all Gross Income to Expenses of the Project, including all amounts then required to be paid under the Borrower Loan Documents and the Funding Loan Documents and the funding of all sums necessary to meet the Replacement Reserve Fund Requirement before using or applying such Gross Income for any other purpose. Prior to the Conversion Date, Borrower shall not make or permit any distributions or other payments of Net Operating Income to its partners, shareholders or members, as applicable, in each case, without the prior Written Consent of the Construction Funding Lender (which prohibition shall not be in force after the Conversion Date).

Section 5.28. Leases and Occupancy Agreements.

(a) Lease Approval.

(i) Borrower shall submit to Funding Lender Borrower's standard form of tenant lease (the "Tenant Lease Form") for use in the Project. Borrower shall not materially modify the Tenant Lease Form without Funding Lender's prior Written Consent in each instance, which consent shall not be unreasonably withheld or delayed. Borrower may enter into leases of space within the Improvements (and amendments to such leases) in the ordinary course of business with bona fide third party tenants without Funding Lender's prior Written Consent if:

(A) (A) The Tenant Lease Form is a Permitted Lease, and is executed in the form previously approved by Funding Lender without material modification;

(B) Borrower, acting in good faith following the exercise of due diligence, has determined that the tenant meets requirements imposed under any applicable CC&R and is financially capable of performing all of its obligations under the Tenant Lease Form; and

(C) The rent under the lease conforms to the pro forma rents approved by Funding Lender and reflects an arm's-length transaction, subject to the requirement that the Borrower and tenant comply with any applicable CC&R.

(ii) If any Event of Default has occurred and is continuing, Funding Lender may make written demand on Borrower to submit all future leases for Funding Lender's approval prior to execution. Borrower shall comply with any such demand by Funding Lender.

(iii) No approval of any lease by Funding Lender shall be for any purpose other than to protect Funding Lender's security for the Borrower Loan and to preserve Funding Lender's rights under the Borrower Loan Documents and the Funding Loan Documents. No approval by Funding Lender shall result in a waiver of any default of Borrower. In no event shall any approval by Funding Lender of a lease be a representation of any kind with regard to the lease or its enforceability, or the financial capacity of any tenant or guarantor.

(b) Obligations. Borrower shall perform all obligations required to be performed by it as landlord under any lease affecting any part of the Project or any space within the Improvements.

(c) Leasing and Marketing Agreements. Except as may be contemplated in the Management Agreement with the Property Manager, Borrower shall not without the approval of Funding Lender enter into any leasing or marketing agreement and Funding Lender reserves the right to approve the qualifications of any marketing or leasing agent.

Section 5.29. Project Agreements and Licenses. To the extent not heretofore delivered to Funding Lender, Borrower will furnish to Funding Lender, as soon as available, true and correct copies of all Project Agreements and Licenses and the Plans and Specifications, together with assignments thereof to Funding Lender and consents to such assignments where required by Funding Lender, all in form and substance acceptable to Funding Lender. Neither Borrower nor General Partner has assigned or granted, or will assign or grant, a security interest in any of the Project Agreements and Licenses, other than to Funding Lender and the Subordinate Lenders.

Section 5.30. Payment of Debt Payments. In addition to its obligations under the Borrower Note, Borrower will (i) duly and punctually pay or cause to be paid all principal of and interest on any Debt of Borrower as and when the same become due on or before the due date; (ii) comply with and perform all conditions, terms and obligations of other instruments or agreements evidencing or securing such Debt; (iii) promptly inform Funding Lender of any default under any such note, agreement, instrument; and (iv) forward to Funding Lender a copy of any notice of default or notice of any event that might result in default under any such note, agreement, instrument, including Liens encumbering the Project, or any portion thereof, which have been subordinated to the Security Instrument (regardless of whether or not permitted under this Borrower Loan Agreement).

Section 5.31. ERISA. Borrower will comply, and will cause each of its ERISA Affiliates to comply, in all respects with the provisions of ERISA.

Section 5.32. Patriot Act Compliance. Borrower shall use its good faith and commercially reasonable efforts to comply with the Patriot Act and all applicable requirements of Governmental Authorities having jurisdiction over Borrower and/or the Project, including those relating to money laundering and terrorism. Funding Lender shall have the right to audit Borrower's compliance with the Patriot Act and all applicable requirements of Governmental Authorities having jurisdiction over Borrower and/or the Project, including those relating to money laundering and terrorism. In the event that Borrower fails to comply with the Patriot Act or any such requirements of Governmental Authorities, then Funding Lender may, at its option, cause Borrower to comply therewith and any and all costs and expenses incurred by Funding Lender in connection therewith shall be secured by the Security Instrument and shall be immediately due and payable.

Borrower covenants that it shall comply with all Legal Requirements and internal requirements of Funding Lender relating to money laundering, anti-terrorism, trade embargos and economic sanctions,

now or hereafter in effect. Without limiting the foregoing, Borrower shall not take any action, or permit any action to be taken, that would cause Borrower's representations and warranties in Article IV become untrue or inaccurate at any time during the term of the Funding Loan. Upon any Beneficiary Party's request from time to time during the term of the Funding Loan, Borrower shall certify in writing to such Beneficiary Party that Borrower's representations, warranties and obligations under Article IV remain true and correct and have not been breached, and in addition, upon written request of any Beneficiary Party, Borrower covenants to provide all information required to satisfy obligations under all Legal Requirements and internal requirements of Funding Lender relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect, during the term of the Funding Loan. Borrower shall immediately notify the Funding Lender in writing of (a) Borrower's actual knowledge that any of such representations, warranties or covenants are no longer true and have been breached, (b) Borrower has a reasonable basis to believe that they may no longer be true and have been breached or (c) Borrower becomes the subject of an investigation by Governmental Authorities related to money laundering, anti-terrorism, trade embargos and economic sanctions. Borrower shall also reimburse Funding Lender for any expense incurred by Funding Lender in evaluating the effect of an investigation by Governmental Authorities on the Funding Loan and Funding Lender's interest in the collateral for the Funding Loan, in obtaining necessary license from Governmental Authorities as may be necessary for Funding Lender to enforce its rights under the Funding Loan Documents, and in complying with all Legal Requirements and internal requirements of Funding Lender relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect applicable to Funding Lender as a result of the existence of such an event and for any penalties or fines imposed upon Funding Lender as a result thereof.

Section 5.33. Funds from Equity Investor. Borrower shall cause the Equity Investor to fund all installments of the Equity Contributions in the amounts and at the times subject and according to the terms, conditions and adjustments of the Partnership Agreement.

Section 5.34. [Reserved].

Section 5.35. Tax Covenants. The Borrower further represents, warrants and covenants as follows, solely with respect to or as it relates to the Project:

(a) General. The Borrower shall not take any action or omit to take any action which, if taken or omitted, respectively, would adversely affect the exclusion of interest on the Governmental Lender Note from gross income (as defined in Section 61 of the Code), for federal income tax purposes and, if it should take or permit any such action, the Borrower will take all lawful actions that it can take to rescind such action promptly upon having knowledge thereof and that the Borrower will take such action or actions, including amendment of this Borrower Loan Agreement, the Security Instrument and the Regulatory Agreement, as may be necessary, in the opinion of Tax Counsel, to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service applicable to the Governmental Lender Note, the Funding Loan or affecting the Project. Capitalized terms used in this Section 5.35 shall have the respective meanings assigned to them in the Regulatory Agreement or, if not defined therein, in the Funding Loan Agreement. With the intent not to limit the generality of the foregoing, the Borrower covenants and agrees that, prior to the final maturity of the Governmental Lender Note, unless it has received and filed with the Governmental Lender and the Funding Lender a Tax Counsel No Adverse Effect Opinion (other than with respect to interest on any portion of the Governmental Lender Note for a period during which such portion of the Governmental Lender Note is held by a "substantial user" of any facility financed with the proceeds of the

Governmental Lender Note or a "related person," as such terms are used in Section 147(a) of the Code), the Borrower will comply with this Section 5.35.

(b) Use of Proceeds. The use of the net proceeds of the Funding Loan at all times will satisfy the following requirements:

(i) Limitation on Net Proceeds. At least 95% of the net proceeds of the Funding Loan (within the meaning of the Code) actually expended shall be used to pay Qualified Project Costs that are costs of a "qualified residential rental project" (within the meaning of Sections 142(a)(7) and 142(d) of the Code) and property that is "functionally related and subordinate" thereto (within the meaning of Sections 1.103-8(a)(3) and 1.103-8(b)(4)(iii) of the Regulations).

(ii) Limit on Costs of Funding. The proceeds of the Funding Loan will be expended for the purposes set forth in this Borrower Loan Agreement and in the Funding Loan Agreement and no portion thereof in excess of two percent of the proceeds of the Funding Loan, within the meaning of Section 147(g) of the Code, will be expended to pay Costs of Funding of the Funding Loan.

(iii) Prohibited Facilities. The Borrower shall not use or permit the use of any proceeds of the Funding Loan or any income from the investment thereof to provide any airplane, skybox, or other private luxury box, health club facility, any facility primarily used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off premises.

(iv) Limitation on Land. Less than 25 percent of the net proceeds of the Funding Loan actually expended will be used, directly or indirectly, for the acquisition of land or an interest therein, nor will any portion of the net proceeds of the Funding Loan be used, directly or indirectly, for the acquisition of land or an interest therein to be used for farming purposes.

(v) Limitation on Existing Facilities. No portion of the net proceeds of the Funding Loan will be used for the acquisition of any existing property or an interest therein unless (A) the first use of such property is pursuant to such acquisition or (B) the rehabilitation expenditures with respect to any building and the equipment therefor equal or exceed 15 percent of the cost of acquiring such building financed with the proceeds of the Funding Loan (with respect to structures other than buildings, this clause shall be applied by substituting 100 percent for 15 percent). For purposes of the preceding sentence, the term "rehabilitation expenditures" shall have the meaning set forth in Section 147(d)(3) of the Code.

(vi) Accuracy of Information. The information furnished by the Borrower and used by the Governmental Lender in preparing its certifications with respect to Section 148 of the Code and the Borrower's information statement pursuant to Section 149(e) of the Code is accurate and complete as of the date of origination of the Funding Loan.

(vii) Limitation of Project Expenditures. The acquisition, rehabilitation, construction and equipping of the Project were not commenced (within the meaning of Section 144(a) of the Code) prior to the 60th day preceding the adoption of the resolution of the Governmental Lender with respect to the Project on July 18, 2025, and no

obligation for which reimbursement will be sought from proceeds of the Funding Loan relating to the acquisition, rehabilitation, construction or equipping of the Project was paid or incurred prior to 60 days prior to such date, except for permissible "preliminary expenditures", which include architectural, engineering surveying, soil testing, reimbursement bond issuance and similar costs incurred prior to the commencement of rehabilitation, construction or acquisition of the Project, and which do not exceed 20% of the aggregate issue price of the Governmental Lender Note.

(viii) Qualified Costs. The Borrower hereby covenants and warrants that the proceeds of the Funding Loan shall be used or deemed used exclusively to pay costs which are (A) capital expenditures (as defined in Section 1.150-1(b) of the Code's regulations) and (B) not made for the acquisition of existing property, to the extent prohibited in Section 147(d) of the Code and that for the greatest number of buildings the proceeds of the Governmental Lender Note shall be deemed allocated on a pro rata basis to each building in the Project and the land on which it is located so that each building and the land on which it is located will have been financed fifty percent (50%) or more by the proceeds of the Governmental Lender Note for the purpose of complying with Section 42(h)(4)(B) of the Code; provided however, the foregoing representation, covenant and warranty is made for the benefit of the Borrower and its partners and neither the Funding Lender nor the Governmental Lender shall have any obligation to enforce this statement nor shall they incur any liability to any person, including without limitation, the Borrower, the partners of the Borrower, any other Affiliate of the Borrower or the holders or payees of the Governmental Lender Note and the Borrower Note for any failure to meet the intent expressed in the foregoing representation, covenant and warranty; and provided further, failure to comply with this representation, covenant and warranty shall not constitute a default or event of default under this Borrower Loan Agreement or the Funding Loan Agreement.

(c) Limitation on Maturity. The average maturity of the Governmental Lender Note does not exceed 120 percent of the average reasonably expected economic life of the Project to be financed by the Funding Loan, weighted in proportion to the respective cost of each item comprising the property the cost of which has been or will be financed, directly or indirectly, with the Net Proceeds of the Funding Loan. For purposes of the preceding sentence, the reasonably expected economic life of property shall be determined as of the later of (A) the Closing Date for the Funding Loan or (B) the date on which such property is placed in service (or expected to be placed in service). In addition, land shall not be taken into account in determining the reasonably expected economic life of property.

(d) No Arbitrage. The Borrower shall not take any action or omit to take any action with respect to the Gross Proceeds of the Governmental Lender Note or of any amounts expected to be used to pay the principal thereof or the interest thereon which, if taken or omitted, respectively, would cause the Governmental Lender Note to be classified as an "arbitrage bond" within the meaning of Section 148 of the Code. Except as provided in the Funding Loan Agreement and this Borrower Loan Agreement, the Borrower shall not pledge or otherwise encumber, or permit the pledge or encumbrance of, any money, investment, or investment property as security for payment of any amounts due under this Agreement or the Borrower Note relating to the Governmental Lender Note, shall not establish any segregated reserve or similar fund for such purpose and shall not prepay any such amounts in advance of the redemption date of an equal principal amount of the Governmental Lender Note, unless the Borrower has obtained in each case a Tax Counsel No Adverse Effect Opinion with respect to such action, a copy of which shall be provided to the Governmental Lender and the Funding Lender. The Borrower

shall not, at any time prior to the final maturity of the Governmental Lender Note, invest or cause any Gross Proceeds to be invested in any investment (or to use Gross Proceeds to replace money so invested), if, as a result of such investment the Yield of all investments acquired with Gross Proceeds (or with money replaced thereby) on or prior to the date of such investment exceeds the Yield of the Governmental Lender Note to the Maturity Date, except as permitted by Section 148 of the Code and Regulations thereunder or as provided in the Regulatory Agreement. The Borrower further covenants and agrees that it will comply with all applicable requirements of said Section 148 and the rules and Regulations thereunder relating to the Governmental Lender Note and the interest thereon, including the employment of a Rebate Analyst acceptable to the Governmental Lender and Funding Lender at all times from and after the Closing Date for the calculation of rebatable amounts to the United States Treasury Department. The Borrower agrees that it will cause the Rebate Analyst to calculate the rebatable amounts not later than forty-five days after the fifth anniversary of the Closing Date and each five years thereafter and not later than forty-five days after the final Computation Date and agrees that the Borrower will pay all costs associated therewith. The Borrower agrees to provide evidence of the employment of the Rebate Analyst satisfactory to the Governmental Lender and Funding Lender.

(e) No Federal Guarantee. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the Borrower shall not take or omit to take any action which would cause the Governmental Lender Note to be "federally guaranteed" within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(f) Representations. The Borrower has supplied or caused to be supplied to Tax Counsel all documents, instruments and written information requested by Tax Counsel, and all such documents, instruments and written information supplied by or on behalf of the Borrower at the request of Tax Counsel, which have been reasonably relied upon by Tax Counsel in rendering its opinion with respect to the exclusion from gross income of the interest on the Governmental Lender Note for federal income tax purposes, are true and correct in all material respects, do not contain any untrue statement of a material fact and do not omit to state any material fact necessary to be stated therein in order to make the information provided therein, in light of the circumstances under which such information was provided, not misleading, and the Borrower is not aware of any other pertinent information which Tax Counsel has not requested.

(g) Qualified Residential Rental Project. The Borrower hereby covenants and agrees that the Project will be operated as a "qualified residential rental project" within the meaning of Section 142(d) of the Code, on a continuous basis during the longer of the Qualified Project Period (as defined in the Regulatory Agreement) or any period during which any portion of the Governmental Lender Note remains outstanding, to the end that the interest on the Governmental Lender Note shall be excluded from gross income for federal income tax purposes. The Borrower hereby covenants and agrees, continuously during the Qualified Project Period, to comply with all the provisions of the Regulatory Agreement.

(h) Information Reporting Requirements. The Borrower will comply with the information reporting requirements of Section 149(e)(2) of the Code requiring certain information regarding the Governmental Lender Note to be filed with the Internal Revenue Service within prescribed time limits.

(i) Governmental Lender Note Not a Hedge Bond. The Borrower covenants and agrees that not more than 50% of the proceeds of the Governmental Lender Note will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more within the meaning of Section 149(f)(3)(A)(ii) of the Code, and the Borrower reasonably expects that at

least 85% of the spendable proceeds of the Governmental Lender Note will be used to carry out the governmental purposes of the Governmental Lender Note within the three-year period beginning on the Closing Date.

(j) Termination of Restrictions. Although the parties hereto recognize that, subject to the provisions of the Regulatory Agreement, the provisions of this Borrower Loan Agreement shall terminate in accordance with Section 10.14 hereof, the parties hereto recognize that pursuant to the Regulatory Agreement, certain requirements, including the requirements incorporated by reference in this Section, may continue in effect beyond the term hereof.

(k) Public Approval. The Borrower covenants and agrees that the proceeds of the Governmental Lender Note will not be used in a manner that deviates in any substantial degree from the Project described in the written notice of a public hearing regarding the Governmental Lender Note.

(l) 40/60 Test Election. The Borrower and the Governmental Lender hereby elect to apply the requirements of Section 142(d)(1)(B) to the Project. The Borrower hereby represents, covenants and agrees, continuously during the Qualified Project Period, to comply with all the provisions of the Regulatory Agreement.

(m) Modification of Tax Covenants. Subsequent to the origination of the Funding Loan and prior to its payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Funding Loan Agreement), this Section 5.35 hereof may not be amended, changed, modified, altered or terminated except as permitted herein and by the Funding Loan Agreement and with the Written Consent of the Governmental Lender and the Funding Lender. Anything contained in this Agreement or the Funding Loan Agreement to the contrary notwithstanding, the Governmental Lender, the Funding Lender and the Borrower hereby agree to amend this Borrower Loan Agreement and, if appropriate, the Funding Loan Agreement and the Regulatory Agreement, to the extent required, in the opinion of Tax Counsel, in order for interest on the Governmental Lender Note to remain excludable from gross income for federal income tax purposes. The party requesting such amendment, which may include the Funding Lender, shall notify the other parties to this Borrower Loan Agreement of the proposed amendment and send a copy of such requested amendment to Tax Counsel. After review of such proposed amendment, Tax Counsel shall render to the Funding Lender and the Governmental Lender an opinion as to the effect of such proposed amendment upon the includability of interest on the Governmental Lender Note in the gross income of the recipient thereof for federal income tax purposes. The Borrower shall pay all actual fees and expenses incurred with respect to such amendment. The Borrower, the Governmental Lender and, where applicable, the Funding Lender per written instructions from the Governmental Lender shall execute, deliver and, if applicable, the Borrower shall file of record, any and all documents and instruments, including without limitation, an amendment to the Regulatory Agreement, with a file-stamped copy to the Funding Lender, necessary to effectuate the intent of this Section 5.35, and the Borrower and the Governmental Lender hereby appoint the Funding Lender as their true and lawful attorney-in-fact to execute, deliver and, if applicable, file of record on behalf of the Borrower or the Governmental Lender, as is applicable, any such document or instrument (in such form as may be approved by and upon instruction of Tax Counsel) if either the Borrower or the Governmental Lender defaults in the performance of its obligation under this Section 5.35; provided, however, that the Funding Lender shall take no action under this Section 5.35 without first notifying the Borrower or the Governmental Lender, as is applicable, of its intention to take such action and providing the Borrower or the Governmental Lender, as is applicable, a reasonable opportunity to comply with the requirements of this Section 5.35.

The Borrower irrevocably authorizes and directs the Funding Lender and any other agent designated by the Governmental Lender to make payment of such amounts from funds of the Borrower, if any, held by the Funding Lender, or any agent of the Governmental Lender or the Funding Lender. The Borrower further covenants and agrees that, pursuant to the requirements of Treasury Regulation Section 1.148-1(b), it (or any related person contemplated by such regulations) will not purchase interests in the Governmental Lender Note in an amount related to the amount of the Borrower Loan.

Section 5.36. Payment of Rebate.

(a) Arbitrage Rebate. The Borrower agrees to take all steps necessary to compute and pay any rebatable arbitrage relating to the Funding Loan or the Governmental Lender Note in accordance with Section 148(f) of the Code including:

(i) Delivery of Documents and Money on Computation Dates. The Borrower will deliver to the Servicer, within 55 days after each Computation Date:

(A) a statement, signed by the Borrower, stating the Rebate Amount as of such Computation Date;

(B) if such Computation Date is an Installment Computation Date, an amount that, together with any amount then held for the credit of the Rebate Fund, is equal to at least 90% of the Rebate Amount as of such Installment Computation Date, less any "previous rebate payments" made to the United States (as that term is used in Section 1.148-3(f)(1) of the Regulations), or (2) if such Computation Date is the final Computation Date, an amount that, together with any amount then held for the credit of the Rebate Fund, is equal to the Rebate Amount as of such final Computation Date, less any "previous rebate payments" made to the United States (as that term is used in Section 1.148-3(f)(1) of the Regulations); and

(C) an Internal Revenue Service Form 8038-T properly signed and completed as of such Computation Date.

(ii) Correction of Underpayments. If the Borrower shall discover or be notified as of any date that any payment paid to the United States Treasury pursuant to this Section 5.36 of an amount described in Section 5.36(a)(i)(A) or (B) above shall have failed to satisfy any requirement of Section 1.148-3 of the Regulations (whether or not such failure shall be due to any default by the Borrower, the Governmental Lender or the Funding Lender), the Borrower shall (1) pay to the Servicer (for deposit to the Rebate Fund) and cause the Servicer to pay to the United States Treasury from the Rebate Fund the underpayment of the Rebate Amount, together with any penalty and/or interest due, as specified in Section 1.148-3(h) of the Regulations, within 175 days after any discovery or notice and (2) deliver to the Servicer an Internal Revenue Service Form 8038-T completed as of such date. If such underpayment of the Rebate Amount, together with any penalty and/or interest due, is not paid to the United States Treasury in the amount and manner and by the time specified in the Regulations, the Borrower shall take such steps as are necessary to prevent the Governmental Lender Note from becoming an arbitrage bond within the meaning of Section 148 of the Code.

(iii) Records. The Borrower shall retain all of its accounting records relating to the funds established under this Borrower Loan Agreement and all calculations made in preparing the statements described in this Section 5.36 for at least six years after the later of the final maturity of the Governmental Lender Note or the date the Funding Loan is retired in full.

(iv) Costs. The Borrower agrees to pay all of the fees and expenses of a nationally recognized Tax Counsel, the Rebate Analyst, a certified public accountant and any other necessary consultant employed by the Borrower or the Funding Lender in connection with computing the Rebate Amount.

(v) No Diversion of Rebatable Arbitrage. The Borrower will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the Gross Proceeds of the Funding Loan which is not purchased at Fair Market Value or includes terms that the Borrower would not have included if the Funding Loan were not subject to Section 148(f) of the Code.

(vi) Modification of Requirements. If at any time during the term of this Agreement, the Governmental Lender, the Funding Lender or the Borrower desires to take any action which would otherwise be prohibited by the terms of this Section 5.36, such Person shall be permitted to take such action if it shall first obtain and provide to the other Persons named herein a Tax Counsel No Adverse Effect Opinion with respect to such action.

(b) Rebate Fund. The Servicer shall establish and hold a separate fund designated as the "Rebate Fund." The Servicer shall deposit or transfer to the credit of the Rebate Fund each amount delivered to the Servicer by the Borrower for deposit thereto and each amount directed by the Borrower to be transferred thereto.

(c) Within 15 days after each receipt or transfer of funds to the Rebate Fund, the Servicer shall withdraw from the Rebate Fund and pay to the United States of America the entire balance of the Rebate Fund.

(d) All payments to the United States of America pursuant to this Section 5.36 shall be made by the Servicer for the account and in the name of the Governmental Lender and shall be paid through the United States Mail (return receipt requested or overnight delivery), addressed to the appropriate Internal Revenue Service Center and accompanied by the appropriate Internal Revenue Service forms (such forms to be provided to the Servicer by the Borrower or the Rebate Analyst as set forth in this Section 5.36).

(e) The Borrower shall preserve all statements, forms and explanations received delivered pursuant this Section 5.36 and all records of transactions in the Rebate Fund until six years after the retirement of the Funding Loan.

(f) Moneys and securities held in the Rebate Fund shall not be deemed funds of the Funding Lender or of the Governmental Lender and are not pledged or otherwise subject to any security interest in favor of the Funding Lender to secure the Funding Loan or any other obligations.

(g) Notwithstanding anything to the contrary in this Borrower Loan Agreement, no payment shall be made to the United States if the Borrower shall furnish to the Governmental Lender and the Funding Lender an opinion of Tax Counsel to the effect that such payment is not required under Section 148(d) and (f) of the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Governmental Lender Note. In such event, the Borrower shall be entitled to withdraw funds from the Rebate Fund to the extent the Borrower shall provide a Tax Counsel No Adverse Effect Opinion to the Governmental Lender and the Funding Lender with respect to such withdrawal.

(h) Notwithstanding the foregoing, the computations and payments of rebate amounts referred to in this Section 5.36 need not be made to the extent that neither the Governmental Lender nor the Borrower will thereby fail to comply with any requirements of Section 148(f) of the Code based on a Tax Counsel No Adverse Effect Opinion, a copy of which shall be provided to the Funding Lender.

Section 5.37. Covenants under Funding Loan Agreement. The Borrower will fully and faithfully perform all the duties and obligations which the Governmental Lender has covenanted and agreed in the Funding Loan Agreement to cause the Borrower to perform and any duties and obligations which the Borrower is required in the Funding Loan Agreement to perform. The foregoing will not apply to any duty or undertaking of the Governmental Lender which by its nature cannot be delegated or assigned.

Section 5.38. Notice of Default. The Borrower will advise the Governmental Lender, the Funding Lender, and the Servicer promptly in writing of the occurrence of any Potential Default of which it is actually aware or Event of Default hereunder, specifying the nature and period of existence of such event and the actions being taken or proposed to be taken with respect thereto.

Section 5.39. Continuing Disclosure Agreement. The Borrower and the Funding Lender shall enter into the Continuing Disclosure Agreement to provide for the continuing disclosure of information about the Governmental Lender Note, the Borrower and other matters as specifically provided for in such agreement.

Section 5.40. Cap Documents. At all times prior to the termination of this Agreement, Cap Documents meeting the requirements of the Permanent Loan Continuing Covenants Agreement shall remain in full force and effect and shall secure the Borrower Note and the Governmental Note. If the Cap Documents are terminated for any reason, the Borrower, without cost to itself, shall cooperate in obtaining the delivery and assignment to the Funding Lender of substitute or replacement Cap Documents with substantially the same economic terms (including payment dates, strike price, termination provisions) as the original Cap Documents within 30 days of notice of such termination. The Borrower acknowledges and agrees that the Funding Lender may arrange for the delivery of any such substitute or replacement Cap Documents on the Borrower's behalf. Any replacement Cap Document and cap provider must be acceptable to the Funding Lender in its sole discretion.

Section 5.41. Servicer.

(a) At any time, the Funding Lender may appoint a Servicer or may remove a previously appointed Servicer and appoint a successor by delivering a written notice to Governmental Lender and the Borrower. Any Servicer appointed hereunder shall signify its acceptance of the duties and obligations imposed upon it by the Borrower Loan Documents and this Agreement by executing such instrument(s) as shall be acceptable to the holder of the Borrower Note, a copy of which shall be provided to the parties hereto.

(b) During any period that the Servicer services the Borrower Loan, unless otherwise directed by the Funding Lender, the Borrower shall make all payments in connection with the Borrower Loan to the Servicer, and the Servicer will (i) collect, hold and maintain all required reserves, escrows and impounds under the Borrower Loan Documents, (ii) retain the allocable portion of the monthly servicing fee (if any) for its own account, (iii) remit to the Funding Lender all payments of principal of, premium, if any, and interest due with respect to the Borrower Loan, together, with any other amounts due to the Funding Lender, and (iv) remit to the Governmental Lender any fees and expenses due hereunder.

(c) The Governmental Lender and the Borrower hereby acknowledge and agree that the selection or removal of any Servicer is in the sole and absolute discretion of the Funding Lender; and (iii) neither the Governmental Lender nor the Borrower shall terminate or attempt to terminate any Servicer as the servicer for the Borrower Loan or appoint or attempt to appoint a substitute servicer for the Borrower Loan.

ARTICLE VI
NEGATIVE COVENANTS

Borrower hereby covenants and agrees as follows, which covenants shall remain in effect so long as any Borrower Payment Obligation or other obligation of Borrower under any of the other Borrower Loan Documents or the Funding Loan Documents remains outstanding or unperformed. Borrower covenants and agrees that it will not, directly or indirectly:

Section 6.1. Management Agreement. Without first obtaining the Funding Lender's prior Written Consent, enter into the Management Agreement, and thereafter the Borrower shall not, without the Funding Lender's prior Written Consent (which consent shall not be unreasonably withheld or delayed) and subject to the Regulatory Agreement: (i) surrender, terminate or cancel the Management Agreement or otherwise replace the Property Manager or enter into any other management agreement; (ii) reduce or consent to the reduction of the term of the Management Agreement; (iii) increase or consent to the increase of the amount of any charges under the Management Agreement; (iv) otherwise modify, change, supplement, alter or amend in any material respect, or waive or release in any material respect any of its rights and remedies under, the Management Agreement; or (v) suffer or permit the occurrence and continuance of a default beyond any applicable cure period under the Management Agreement (or any successor management agreement) if such default permits the Property Manager to terminate the Management Agreement (or such successor management agreement).

Section 6.2. Dissolution. Dissolve or liquidate, in whole or in part, merge with or consolidate into another Person.

Section 6.3. Change in Business or Operation of Property. Enter into any line of business other than the ownership and operation of the Project, or make any material change in the scope or nature of its business objectives, purposes or operations, or undertake or participate in activities other than the continuance of its present business and activities incidental or related thereto or otherwise cease to operate the Project as a multi-family property or terminate such business for any reason whatsoever (other than temporary cessation in connection with construction, as appropriate, of the Project).

Section 6.4. Debt Cancellation. Cancel or otherwise forgive or release any claim or debt owed to the Borrower by a Person, except for adequate consideration or in the ordinary course of the Borrower's business in its reasonable judgment.

Section 6.5. Assets. Purchase or own any real property or personal property incidental thereto other than the Project.

Section 6.6. Transfers. Make, suffer or permit the occurrence of any Transfer other than a Permitted Transfer, nor transfer any material License required for the operation of the Project.

Section 6.7. Debt. Other than as expressly approved in writing by the Funding Lender, create, incur or assume any indebtedness for borrowed money (including subordinate debt) whether unsecured or secured by all or any portion of the Project or interest therein or in the Borrower or any partner thereof (including subordinate debt) other than (i) the Borrower Payment Obligations, (ii) the Subordinate Debt, (iii) secured indebtedness incurred pursuant to or permitted by the Borrower Loan Documents and the Funding Loan Documents, (iv) unsecured deferred developer fee as permitted pursuant to the terms of the Development Agreement and Operating Deficit Loans (each as defined in the Partnership Agreement) and (v) trade payables incurred in the ordinary course of business.

Section 6.8. Assignment of Rights. Without the Funding Lender's prior Written Consent, attempt to assign the Borrower's rights or interest under any Borrower Loan Document or Funding Loan Document in contravention of any Borrower Loan Document or Funding Loan Document.

Section 6.9. Principal Place of Business. Change its principal place of business without providing 30 days' prior Written Notice of the change to the Funding Lender and the Servicer.

Section 6.10. Partnership Agreement. Without the Funding Lender's prior Written Consent (which consent shall not be unreasonably withheld or delayed) surrender, terminate, cancel, modify, change, supplement, alter or amend in any material respect, or waive or release in any material respect, any of its rights or remedies under the Partnership Agreement; except as permitted by and in accordance with the Security Instrument or the Construction Funding Agreement; provided, however, the consent of Funding Lender is not required for an amendment of the Partnership Agreement permitted by the Construction Funding Agreement or resulting solely from the "Permitted Transfer" of partnership interests of Borrower as defined in and permitted by the Security Instrument, or to correct a scrivener's error.

Section 6.11. ERISA. Maintain, sponsor, contribute to or become obligated to contribute to, or suffer or permit any ERISA Affiliate of the Borrower to, maintain, sponsor, contribute to or become obligated to contribute to, any Plan, or permit the assets of the Borrower to become "plan assets," whether by operation of law or under regulations promulgated under ERISA.

Section 6.12. No Hedging Arrangements. Without the prior Written Consent of the Funding Lender, other than the SWAP Obligations or the Cap Documents, or unless otherwise required by this Borrower Loan Agreement, the Borrower will not enter into or guarantee, provide security for or otherwise undertake any form of contractual obligation with respect to any interest rate swap, interest rate cap or other arrangement that has the effect of an interest rate swap or interest rate cap or that otherwise (directly or indirectly, derivatively or synthetically) hedges interest rate risk associated with being a debtor of variable rate debt or any agreement or other arrangement to enter into any of the above on a future date or after the occurrence of one or more events in the future.

Section 6.13. Loans and Investments; Distributions; Related Party Payments.

(a) Without the prior Written Consent of Funding Lender in each instance, Borrower shall not (i) lend money, make investments, or extend credit, other than in the ordinary course of its business as presently conducted; or (ii) repurchase, redeem or otherwise acquire any interest in

Borrower, any Affiliate of the Borrower or any other Person owning an interest, directly or indirectly, in Borrower, or make any distribution, in cash or in kind, in respect of interests in Borrower, any Affiliate of the Borrower or any other Person owning an interest, directly or indirectly, in Borrower (except to the extent permitted by the Security Instrument and subject to the limitations set forth in Section 5.27 hereof).

(b) Disbursements for fees and expenses of any Affiliate of Borrower and developer fees (however characterized) will only be paid to the extent that such fee or expense bears a proportionate relationship to the percentage of completion of the rehabilitation and/or construction, as the case may be, of the Improvements, as determined by the Construction Consultant, and only after deducting the applicable Retainage. Except as otherwise permitted hereunder or by the Funding Lender, no Disbursements for the Developer Fee or any "deferred developer fees" shall be made prior to the Conversion Date.

Section 6.14. Amendment of Related Documents or CC&R's. Without the prior Written Consent of Funding Lender in each instance, except as provided herein, Borrower shall not enter into or consent to any amendment, termination, modification, or other alteration of any of the Related Documents or any of the CC&R's (including, without limitation, those contained in the Borrower Loan Agreement, any Architect's Agreement or Engineer's Contract, any Construction Contract, and any Management Agreement, but excluding the Partnership Agreement, which is covered by Section 6.10), or any assignment, transfer, pledge or hypothecation of any of its rights thereunder, if any.

Section 6.15. Personal Property. Borrower shall not install materials, personal property, equipment or fixtures subject to any security agreement or other agreement or contract wherein the right is reserved to any Person other than Borrower to remove or repossess any such materials, equipment or fixtures, or whereby title to any of the same is not completely vested in Borrower at the time of installation, without Funding Lender's prior Written Consent; provided, however, that this Section 6.15 shall not apply to laundry equipment or other equipment that is owned by a third-party vendor and commercial tenants.

Section 6.16. Fiscal Year. Without Funding Lender's Written Consent, which shall not be unreasonably withheld or delayed, neither Borrower nor General Partner shall change the times of commencement or termination of its fiscal year or other accounting periods, or change its methods of accounting, other than to conform to GAAP.

Section 6.17. Publicity. Neither Borrower nor General Partner shall issue any publicity release or other communication to any print, broadcast or on-line media, post any sign or in any other way identify Funding Lender or any of its Affiliates as the source of the financing provided for herein, without the prior written approval of Funding Lender in each instance (provided that nothing herein shall prevent Borrower or General Partner from identifying Funding Lender or its Affiliates as the source of such financing to the extent that Borrower or General Partner are required to do so by disclosure requirements applicable to publicly held companies). Borrower and General Partner agree that no sign shall be posted on the Project in connection with the rehabilitation and/or construction of the Improvements unless such sign identifies Construction Funding Lender and its Affiliates as the source of the financing provided for herein or Funding Lender consents to not being identified on any such sign.

Section 6.18. Subordinate Loan Documents. Without Funding Lender's prior written consent, Borrower will not surrender, terminate, cancel, modify, change, supplement, alter, amend, waive, release, assign, transfer, pledge or hypothecate any of its rights or remedies under the Subordinate Loan Documents.

ARTICLE VII
RESERVED

ARTICLE VIII
DEFAULTS

Section 8.1. Events of Default. Each of the following events shall constitute an "Event of Default" under the Borrower Loan Agreement:

(a) failure by the Borrower to pay any Borrower Loan Payment in the manner and on the date such payment is due in accordance with the terms and provisions of the Borrower Note, or the failure by the Borrower to pay any Additional Borrower Payment on the date such payment is due in accordance with the terms and provisions of the Borrower Note, the Security Instrument, this Borrower Loan Agreement or any other Borrower Loan Document, which such Additional Borrower Payment default remains uncured for a period of five (5) Business Days after Written Notice thereof shall have been given to the Borrower;

(b) failure by or on behalf of the Borrower to pay when due any amount (other than as provided in subsection (a) above or elsewhere in this Section 8.1) required to be paid by the Borrower under this Borrower Loan Agreement, the Borrower Note, the Security Instrument, the Permanent Loan Continuing Covenants Agreement or any of the other Borrower Loan Documents or Funding Loan Documents, including a failure to repay any amounts that have been previously paid but are recovered, attached or enjoined pursuant to any insolvency, receivership, liquidation or similar proceedings, which default remains uncured for a period of five (5) Business Days after Written Notice thereof shall have been given to the Borrower;

(c) an Event of Default, as defined by the Borrower Note, the Security Instrument, the Permanent Loan Continuing Covenants Agreement, the Construction Funding Agreement or any other Borrower Loan Document and any applicable notice and/or cure period has expired, occurs (or to the extent an "Event of Default" is not defined in any other Borrower Loan Document, any default or breach by the Borrower or any Guarantor of its obligations, covenants, representations or warranties under such Borrower Loan Document occurs and any applicable notice and/or cure period has expired);

(d) any representation or warranty made by any of the Borrower, the Guarantor or the General Partner in any Borrower Loan Document or Funding Loan Document to which it is a party, or in any report, certificate, financial statement or other instrument, agreement or document furnished by the Borrower, the Guarantor or the General Partner in connection with any Borrower Loan Document or Funding Loan Document, shall be false or misleading in any material respect as of the Closing Date;

(e) the Borrower shall make a general assignment for the benefit of creditors, or shall generally not be paying its debts as they become due;

(f) the Borrower Controlling Entity shall make a general assignment for the benefit of creditors, shall generally not be paying its debts as they become due, or an Act of Bankruptcy with respect to the Borrower Controlling Entity shall occur, unless in all cases the Borrower

Controlling Entity is replaced with a substitute Borrower Controlling Entity that satisfies the requirements of the Construction Funding Agreement; which, in the case of a non-profit Borrower Controlling Entity, may be replaced within sixty (60) days of such event with another non-profit Borrower Controlling Entity acceptable to the Funding Lender, in which case no Event of Default shall be deemed to have occurred;

(g) any portion of Borrower Deferred Equity to be made by the Equity Investor and required for (i) completion of the rehabilitation and/or construction, as the case may be, of the Improvements, (ii) the satisfaction of the Conditions of Conversion or (iii) the operation of the Improvements, is not received in accordance with the terms of the Partnership Agreement after the expiration of all applicable notice and cure periods;

(h) the failure by Borrower or any ERISA Affiliate of Borrower to comply in all respects with ERISA, or the occurrence of any other event (with respect to the failure of Borrower or any ERISA Affiliate to pay any amount required to be paid under ERISA or with respect to the termination of, or withdrawal of Borrower or any ERISA Affiliate from, any employee benefit or welfare plan subject to ERISA) the effect of which is to impose upon Borrower (after giving effect to the tax consequences thereof) for the payment of any amount in excess of Fifty Thousand Dollars ($50,000);

(i) a bankruptcy event shall occur with respect to Borrower, General Partner or Guarantor, or there shall be a change in the assets, liabilities or financial position of any such Person which has a material adverse effect upon the ability of such Person to perform such Person's obligations under this Borrower Loan Agreement, any other Borrower Loan Document or any Related Document, provided that any such bankruptcy event with respect to a Guarantor shall not constitute an Event of Default: (i) if such bankruptcy event occurs on or after the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor), or (ii) if such bankruptcy event occurs prior to the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor) and the Borrower replaces such Guarantor with a person or entity satisfying the Funding Lender's mortgage credit standards for principals and acceptable to the Funding Lender in its sole and absolute discretion within sixty (60) days after notice thereof from the Funding Lender and such replacement guarantor executes and delivers to Funding Lender a guaranty in the form of the Guaranty or in such other form as is acceptable to Funding Lender;

(j) all or any part of the property of Borrower is attached, levied upon or otherwise seized by legal process, and such attachment, levy or seizure is not quashed, stayed or released: (i) prior to completion of the rehabilitation and/or construction, as the case may be, of the Improvements, within ten (10) Business Days of the date thereof or (ii) after completion of the rehabilitation and/or construction, as the case may be, of the Improvements, within thirty (30) days of the date thereof;

(k) subject to Section 10.16 hereof, Borrower fails to pay when due any monetary obligation (other than pursuant to this Borrower Loan Agreement) to any Person in excess of $100,000, and such failure continues beyond the expiration of any applicable cure or grace periods;

(l) any material litigation or proceeding is commenced before any Governmental Authority against or affecting Borrower, General Partner or Guarantor, or property of Borrower,

General Partner or Guarantor, or any part thereof, and such litigation or proceeding is not defended diligently and in good faith by Borrower, General Partner or Guarantor, as applicable, provided that any such material litigation or proceeding against Guarantor shall not constitute an Event of Default: (i) if such material litigation is commenced on or after the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor), or (ii) if such material litigation or proceeding is commenced prior to the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor) and the Borrower replaces such Guarantor with a person or entity satisfying the Funding Lender's mortgage credit standards for principals and acceptable to the Funding Lender in its sole and absolute discretion within sixty (60) days after notice thereof from the Funding Lender and such replacement guarantor executes and delivers to Funding Lender a guaranty in the form of the Guaranty or in such other form as is acceptable to Funding Lender;

(m) a final judgment or decree for monetary damages in excess of $50,000 or a monetary fine or penalty (not subject to appeal or as to which the time for appeal has expired) is entered against Borrower, General Partner or Guarantor by any Governmental Authority, and such judgment, decree, fine or penalty is not paid and discharged or stayed (i) prior to completion of the construction, as the case may be, of the Improvements, within ten (10) business days after entry thereof or (ii) after completion of the construction, as the case may be, of the Improvements, within thirty (30) days after entry thereof (or such longer period as may be permitted for payment by the terms of such judgment, fine or penalty) , provided that any such judgment, decree, fine or penalty against the Guarantor shall not constitute an Event of Default: (i) if such judgment, decree, fine or penalty is entered on or after the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor), or (ii) if such judgment, decree, fine or penalty is entered prior to the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor) and the Borrower replaces such Guarantor with a person or entity satisfying the Funding Lender's mortgage credit standards for principals and acceptable to the Funding Lender in its sole and absolute discretion within sixty (60) days after notice thereof from the Funding Lender and such replacement guarantor executes and delivers to Funding Lender a guaranty in the form of the Guaranty or in such other form as is acceptable to Funding Lender;

(n) a final, un-appealable and uninsured money judgment or judgments, in favor of any Person other than a Governmental Authority, in the aggregate sum of $50,000 or more shall be rendered against Borrower, General Partner or Guarantor, or against any of their respective assets, that is not paid, superseded or stayed (i) prior to completion of the rehabilitation and/or construction, as the case may be, of the Improvements, within ten (10) Business Days after entry thereof or (ii) after completion of the rehabilitation and/or construction, as the case may be, of the Improvements, within thirty (30) days after entry thereof (or such longer period as may be permitted for payment by the terms of such judgment); or any levy of execution, writ or warrant of attachment, or similar process, is entered or filed against Borrower, General Partner or Guarantor, or against any of their respective assets (that is likely to have a material adverse effect upon the ability of Borrower, General Partner or Guarantor to perform their respective obligations under this Borrower Loan Agreement, any other Borrower Loan Document or any Related Document), and such judgment, writ, warrant or process shall remain unsatisfied, unsettled, unvacated, unhanded and unstayed (i) prior to completion of the rehabilitation and/or construction, as the case may be, of the Improvements, for a period of ten (10) Business Days or

(ii) after completion of the rehabilitation and/or construction, as the case may be, of the Improvements, for a period of thirty (30) days, or in any event later than five (5) Business Days prior to the date of any proposed sale thereunder, provided that any such judgment, levy, writ, warrant, attachment or similar process against the Guarantor shall not constitute an Event of Default: (i) if such judgment, levy, writ, warrant, attachment or similar process is entered on or after the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor), or (ii) if such judgment, levy, writ, warrant, attachment or similar process is entered prior to the date upon which the Guaranty terminates in accordance with its terms (or the date upon which all of the Guaranties have terminated in accordance with their terms, if more than one Guaranty was executed by such Guarantor) and the Borrower replaces such Guarantor with a person or entity satisfying the Funding Lender's mortgage credit standards for principals and acceptable to the Funding Lender in its sole and absolute discretion within sixty (60) days after notice thereof from the Funding Lender and such replacement guarantor executes and delivers to Funding Lender a guaranty in the form of the Guaranty or in such other form as is acceptable to Funding Lender;

(o) the inability of Borrower to satisfy any condition for the receipt of a Disbursement hereunder (other than an Event of Default specifically addressed in this Section 8.1) and failure to resolve the situation to the satisfaction of Funding Lender for a period in excess of thirty (30) days after Written Notice from Funding Lender unless (i) such inability shall have been caused by conditions beyond the control of Borrower, including, without limitation, acts of God or the elements, fire, strikes and disruption of shipping; (ii) Borrower shall have made adequate provision, acceptable to Funding Lender, for the protection of materials stored on-site or off-site and for the protection of the Improvements to the extent then constructed against deterioration and against other loss or damage or theft; (iii) Borrower shall furnish to Funding Lender satisfactory evidence that such cessation of rehabilitation and/or construction will not adversely affect or interfere with the rights of Borrower under labor and materials contracts or subcontracts relating to the construction or operation of the Improvements; and (iv) Borrower shall furnish to Funding Lender satisfactory evidence that the completion of the rehabilitation and/or construction of the Improvements can be accomplished by the Completion Date;

(p) the rehabilitation and/or construction of the Improvements is abandoned or halted prior to completion for any period of thirty (30) consecutive days;

(q) Borrower shall fail to keep in force and effect any material permit, license, consent or approval required under this Borrower Loan Agreement or any Governmental Authority with jurisdiction over the Mortgaged Property or the Project orders or requires that construction of the Improvements be stopped, in whole or in part, or that any required approval, license or permit be withdrawn or suspended, and the order, requirement, withdrawal or suspension remains in effect for a period of thirty (30) days;

(r) failure by the Borrower to Substantially Complete the rehabilitation and/or construction, as the case may be, of the Improvements in accordance with this Borrower Loan Agreement on or prior to the Substantial Completion Date;

(s) failure by Borrower to complete the construction, as the case may be, of the Improvements in accordance with this Borrower Loan Agreement on or prior to the Completion Date;

(t) failure by Borrower to satisfy the Conversion Conditions on or before the Outside Conversion Date, as may be extended to the Extended Outside Conversion Date;

(u) failure by any Subordinate Lender to disburse the proceeds of its Subordinate Loan in approximately such amounts and at approximately such times as set forth in the Cost Breakdown and in the Subordinate Loan Documents;

(v) an "Event of Default" (as defined in the applicable agreement) or a default beyond any applicable notice and cure period shall occur under any of the Subordinate Loan Documents, after the expiration of all applicable notice and cure periods;

(w) Borrower fails to obtain all grading, foundation, building and all other construction permits, licenses and authorizations from all applicable Government Authorities or third parties necessary for the completion of the construction, as the case may be, of the Improvements, and the operation of, and access to, the Project, within 425 days after the Closing Date;

(x) A Determination of Taxability occurs; or

(y) any failure by the Borrower to perform or comply with any of its obligations under this Borrower Loan Agreement (other than those specified in this Section 8.1), as and when required, which continues for a period of thirty (30) days after written notice of such failure by Funding Lender or the Servicer on its behalf to the Borrower; provided, however, if such failure is susceptible of cure but cannot reasonably be cured within such thirty (30) day period, and the Borrower shall have commenced to cure such failure within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for an additional period of time as is reasonably necessary for the Borrower in the exercise of due diligence to cure such failure, such additional period not to exceed sixty (60) days. However, no such notice or grace period shall apply to the extent such failure could, in the Funding Lender's judgment, absent immediate exercise by the Funding Lender of a right or remedy under this Borrower Loan Agreement, result in harm to the Funding Lender, impairment of the Borrower Note or this Borrower Loan Agreement or any security given under any other Borrower Loan Document.

Section 8.2. Remedies.

Section 8.2.1 Acceleration. Upon the occurrence of an Event of Default (other than an Event of Default described in paragraph (e), (f) or (i) of Section 8.1) and at any time and from time to time thereafter, as long as such Event of Default continues to exist, in addition to any other rights or remedies available to the Governmental Lender pursuant to the Borrower Loan Documents or at law or in equity, the Funding Lender may, take such action, without notice or demand, as the Funding Lender deems advisable to protect and enforce its rights against the Borrower and in and to the Project, including declaring the Borrower Payment Obligations to be immediately due and payable (including, without limitation, the principal of, Prepayment Premium, if any, and interest on and all other amounts due on the Borrower Note to be immediately due and payable), without notice or demand, and apply such payment of the Borrower Payment Obligations in any manner and in any order determined by Funding Lender, in Funding Lender's sole and absolute discretion; and upon any Event of Default described in paragraph (e), (f) or (i) of Section 8.1, the Borrower Payment Obligations shall become immediately due and payable, without notice or demand, and the Borrower hereby expressly waives any such notice or demand, anything contained in any Borrower Loan Document to the contrary notwithstanding. Notwithstanding anything herein to the contrary, enforcement of remedies hereunder and under the Funding Loan

Agreement shall be controlled by the Funding Lender. If the Funding Lender has rescinded and annulled the acceleration of the Governmental Lender Note pursuant to Section 9.2 of the Funding Loan Agreement, the Funding Lender shall also rescind and annul the acceleration of the Borrower Note under this Borrower Loan Agreement.

Section 8.2.2 Remedies Cumulative. Upon the occurrence of an Event of Default, all or any one or more of the rights, powers, privileges and other remedies available to the Funding Lender against the Borrower under the Borrower Loan Documents or at law or in equity may be exercised by the Funding Lender, at any time and from time to time, whether or not all or any of the Borrower Payment Obligations shall be declared due and payable, and whether or not the Funding Lender shall have commenced any foreclosure proceeding or other action for the enforcement of its rights and remedies under any of the Borrower Loan Documents. Any such actions taken by the Funding Lender shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as the Funding Lender may determine in its sole discretion, to the fullest extent permitted by law, without impairing or otherwise affecting the other rights and remedies of the Funding Lender permitted by law, equity or contract or as set forth in the Borrower Loan Documents. Without limiting the generality of the foregoing, the Borrower agrees that if an Event of Default is continuing, all Liens and other rights, remedies or privileges provided to the Funding Lender shall remain in full force and effect until they have exhausted all of its remedies, the Security Instrument has been foreclosed, the Project has been sold and/or otherwise realized upon satisfaction of the Borrower Payment Obligations or the Borrower Payment Obligations has been paid in full. To the extent permitted by applicable law, nothing contained in any Borrower Loan Document shall be construed as requiring the Funding Lender to resort to any portion of the Project for the satisfaction of any of the Borrower Payment Obligations in preference or priority to any other portion, and the Funding Lender may seek satisfaction out of the entire Project or any part thereof, in its absolute discretion.

Notwithstanding any provision herein to the contrary, the Governmental Lender and the Funding Lender agrees that any cure of any default made or tendered by the Equity Investor and/or the Special Limited Partner shall be deemed to be a cure by the Borrower and shall be accepted or rejected on the same basis as if made or tendered by the Borrower.

Section 8.2.3 Delay. No delay or omission to exercise any remedy, right, power accruing upon an Event of Default, or the granting of any indulgence or compromise by the Funding Lender shall impair any such remedy, right or power hereunder or be construed as a waiver thereof, but any such remedy, right or power may be exercised from time to time and as often as may be deemed expedient. A waiver of one Potential Default or Event of Default shall not be construed to be a waiver of any subsequent Potential Default or Event of Default or to impair any remedy, right or power consequent thereon.

Section 8.2.4 Set Off; Waiver of Set Off. Upon the occurrence of an Event of Default, Funding Lender may, at any time and from time to time, without notice to Borrower or any other Person (any such notice being expressly waived), set off and appropriate and apply (against and on account of any obligations and liabilities of Borrower to Funding Lender arising under or connected with this Borrower Loan Agreement and the other Borrower Loan Documents and the Funding Loan Documents, irrespective of whether or not Funding Lender shall have made any demand therefor, and although such obligations and liabilities may be contingent or unmatured), and Borrower hereby grants to Funding Lender, as security for the Payment Obligations, a security interest in, any and all deposits (general or special, including but not limited to Debt evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Debt at any time held or owing by Funding Lender to or for the credit or the account of Borrower.

Section 8.2.5 Assumption of Obligations. In the event that the Funding Lender or its assignee or designee shall become the legal or beneficial owner of the Project by foreclosure or deed in lieu of foreclosure, such party shall succeed to the rights and the obligations of the Borrower under this Borrower Loan Agreement, the Borrower Note, the Regulatory Agreement, and any other Borrower Loan Documents and Funding Loan Documents to which the Borrower is a party. Such assumption shall be effective from and after the effective date of such acquisition and shall be made with the benefit of the limitations of liability set forth therein and without any liability for the prior acts of the Borrower.

Section 8.2.6 Accounts Receivable. Upon the occurrence of an Event of Default, Funding Lender shall have the right, to the extent permitted by law, to impound and take possession of books, records, notes and other documents evidencing Borrower's accounts, accounts receivable and other claims for payment of money, arising in connection with the Project, and to make direct collections on such accounts, accounts receivable and claims for the benefit of Funding Lender.

Section 8.2.7 Defaults under Other Documents. Funding Lender shall have the right to cure any default under any of the Related Documents, but shall have no obligation to do so.

Section 8.2.8 Abatement of Disbursements. Notwithstanding any provision to the contrary herein or any of the other Borrower Loan Documents or the Funding Loan Documents, Funding Lender's obligation to make further Disbursements shall abate (i) during the continuance of any Potential Default, (ii) after any disclosure to Funding Lender of any fact or circumstance that, absent such disclosure, would cause any representation or warranty of Borrower to fail to be true and correct in all material respects, unless and until Funding Lender elects to permit further Disbursements notwithstanding such event or circumstance; and (iii) upon the occurrence of any Event of Default.

Section 8.2.9 Completion of Improvements. Upon the occurrence of any Event of Default, Funding Lender shall have the right to cause an independent contractor selected by Funding Lender to enter into possession of the Project and to perform any and all work and labor necessary for the completion of the Project substantially in accordance with the Plans and Specifications, if any, and to perform Borrower's obligations under this Borrower Loan Agreement. All sums expended by Funding Lender for such purposes shall be deemed to have been disbursed to and borrowed by Borrower and shall be secured by the Security Documents.

Section 8.2.10 Right to Directly Enforce. Notwithstanding any other provision hereof to the contrary, the Funding Lender shall have the right to directly enforce all rights and remedies hereunder with or without involvement of the Governmental Lender, provided that only the Governmental Lender may enforce the Unassigned Rights and Funding Lender shall not impair Governmental Lender's enforcement of Unassigned Rights. In the event that any of the provisions set forth in this Section 8.2.10 are inconsistent with the covenants, terms and conditions of the Security Instrument, the covenants, terms and conditions of the Security Instrument shall prevail.

Section 8.2.11 Power of Attorney. Effective upon the occurrence of an Event of Default, and continuing until and unless such Event of Default is cured or waived, Borrower hereby constitutes and appoints Funding Lender, or an independent contractor selected by Funding Lender, as its true and lawful attorney-in-fact with full power of substitution, for the purposes of completion of the Project and performance of Borrower's obligations under this Borrower Loan Agreement in the name of Borrower, and hereby empowers said attorney-in-fact to do any or all of the following upon the occurrence and continuation of an Event of Default (it being understood and agreed that said power of attorney shall be deemed to be a power coupled with an interest which cannot be revoked until full payment and performance of all obligations under this Borrower Loan Agreement and the other Borrower Loan Documents and the Funding Loan Documents):

(a) to use any of the funds of Borrower or General Partner, including any balance of the Borrower Loan, as applicable, and any funds which may be held by Funding Lender for Borrower (including all funds in all deposit accounts in which Borrower has granted to Funding Lender a security interest), for the purpose of effecting completion of the rehabilitation and/or construction, as the case may be, of the Improvements, in the manner called for by the Plans and Specifications;

(b) to make such additions, changes and corrections in the Plans and Specifications as shall be necessary or desirable to complete the Project in substantially the manner contemplated by the Plans and Specifications;

(c) to employ any contractors, subcontractors, agents, architects and inspectors required for said purposes;

(d) to employ attorneys to defend against attempts to interfere with the exercise of power granted hereby;

(e) to pay, settle or compromise all existing bills and claims which are or may be liens against the Project, the Improvements or the Project, or may be necessary or desirable for the completion of the rehabilitation and/or construction, as the case may be, of the Improvements, or clearance of objections to or encumbrances on title;

(f) to execute all applications and certificates in the name of Borrower, which may be required by any other construction contract;

(g) to prosecute and defend all actions or proceedings in connection with the Project and to take such action, require such performance and do any and every other act as is deemed necessary with respect to the completion of the rehabilitation and/or construction, as the case may be, of the Improvements, which Borrower might do on its own behalf;

(h) to let new or additional contracts to the extent not prohibited by their existing contracts;

(i) to employ watchmen and erect security fences to protect the Project from injury; and

(j) to take such action and require such performance as it deems necessary under any of the bonds or insurance policies to be furnished hereunder, to make settlements and compromises with the sureties or insurers thereunder, and in connection therewith to execute instruments of release and satisfaction.

It is the intention of the parties hereto that upon the occurrence and continuance of an Event of Default, rights and remedies may be pursued pursuant to the terms of the Borrower Loan Documents and the Funding Loan Documents. The parties hereto acknowledge that, among the possible outcomes to the pursuit of such remedies, is the situation where the Funding Lender assignees or designees become the owner of the Project and assume the obligations identified above, and the Borrower Note, the Borrower Loan and the other Borrower Loan Documents and Funding Loan Documents remain outstanding.

ARTICLE IX
SPECIAL PROVISIONS

Section 9.1. Sale of Note and Secondary Market Transaction.

Section 9.1.1 Cooperation. Subject to the restrictions of Section 2.4 of the Funding Loan Agreement, at the Funding Lender's or the Servicer's request (to the extent not already required to be provided by the Borrower under this Borrower Loan Agreement), the Borrower shall use reasonable efforts to satisfy the market standards to which the Funding Lender or the Servicer customarily adheres or which may be reasonably required in the marketplace or by the Funding Lender or the Servicer in connection with one or more sales or assignments of all or a portion of the Governmental Lender Note and the Funding Loan or participations therein or securitizations of single or multi-class securities (the "Securities") secured by or evidencing ownership interests in all or a portion of the Governmental Lender Note and the Funding Loan (each such sale, assignment and/or securitization, a "Secondary Market Transaction"); provided that neither the Borrower nor the Governmental Lender shall incur any third party or other out-of-pocket costs and expenses in connection with a Secondary Market Transaction, including the costs associated with the delivery of any Provided Information or any opinion required in connection therewith, and all such costs shall be paid by the Funding Lender or the Servicer, and shall not materially modify Borrower's rights or obligations. Without limiting the generality of the foregoing, the Borrower shall, so long as the Borrower Loan is still outstanding:

(a) (i) provide such financial and other information with respect to the Borrower Loan, and with respect to the Project, the Borrower, the Property Manager, the contractor of the Project or the Borrower Controlling Entity, (ii) provide financial statements, audited, if available, relating to the Project with customary disclaimers for any forward looking statements or lack of audit, and (iii), at the expense of the Funding Lender or the Servicer, perform or permit or cause to be performed or permitted such site inspection, appraisals, surveys, market studies, environmental reviews and reports (Phase I's and, if appropriate, Phase II's), engineering reports and other due diligence investigations of the Project, as may be reasonably requested from time to time by the Funding Lender or the Servicer or the Rating Agencies or as may be necessary or appropriate in connection with a Secondary Market Transaction or Exchange Act requirements (the items provided to the Funding Lender or the Servicer pursuant to this paragraph (a) being called the "Provided Information"), together, if customary, with appropriate verification of and/or consents to the Provided Information through letters of auditors or opinions of counsel of independent attorneys acceptable to the Funding Lender or the Servicer and the Rating Agencies;

(b) make such representations and warranties as of the closing date of any Secondary Market Transaction with respect to the Project, the Borrower, the Borrower Loan Documents and the Funding Loan Documents reasonably acceptable to the Funding Lender or the Servicer, consistent with the facts covered by such representations and warranties as they exist on the date thereof; and

(c) execute such amendments to the Borrower Loan Documents and the Funding Loan Documents to accommodate such Secondary Market Transaction so long as such amendment does not affect the material economic terms of the Borrower Loan Documents and the Funding Loan Documents and is not otherwise adverse to the Borrower in its reasonable discretion.

Section 9.1.2 Use of Information. The Borrower understands that certain of the Provided Information and the required records may be included in disclosure documents in connection with a Secondary Market Transaction, including a prospectus or private placement memorandum (each, a

"Secondary Market Disclosure Document"), or provided or made available to investors or prospective investors in the Securities, the Rating Agencies and service providers or other parties relating to the Secondary Market Transaction. In the event that the Secondary Market Disclosure Document is required to be revised, the Borrower shall cooperate, subject to Section 9.1.1(c) hereof, with the Funding Lender and the Servicer in updating the Provided Information or required records for inclusion or summary in the Secondary Market Disclosure Document or for other use reasonably required in connection with a Secondary Market Transaction by providing all reasonably requested current information pertaining to the Borrower and the Project necessary to keep the Secondary Market Disclosure Document accurate and complete in all material respects with respect to such matters. The Borrower hereby consents to any and all such disclosures of such information.

Section 9.1.3 Borrower Obligations Regarding Secondary Market Disclosure Documents. In connection with a Secondary Market Disclosure Document, the Borrower shall provide, or in the case of a Borrower-engaged third party such as the Property Manager, cause it to provide, information reasonably requested by the Funding Lender pertaining to the Borrower, the Project or such third party (and portions of any other sections reasonably requested by the Funding Lender pertaining to the Borrower, the Project or the third party). The Borrower shall, if requested by the Funding Lender and the Servicer, certify in writing that the Borrower has carefully examined those portions of such Secondary Market Disclosure Document, pertaining to the Borrower, the Project or the Property Manager, and such portions (and portions of any other sections reasonably requested and pertaining to the Borrower, the Project or the Property Manager) do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; provided that the Borrower shall not be required to make any representations or warranties regarding any Provided Information obtained from a third party except with respect to information it provided to such parties. Furthermore, the Borrower hereby indemnifies the Funding Lender, the Governmental Lender and the Servicer for any Liabilities to which any such parties may become subject to the extent such Liabilities arise out of or are based upon any untrue statement of a material fact or omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading in the Provided Information; provided that the Borrower shall not provide any indemnification regarding any Provided Information obtained from unrelated third parties except with respect to information it provided to such parties.

Section 9.1.4 Borrower Indemnity Regarding Filings. In connection with filings under the Exchange Act or the Securities Act, the Borrower shall (i) indemnify Funding Lender, the Governmental Lender and the underwriter group for any securities (the "Underwriter Group") and all officials, employees and agents of any of them for any Liabilities to which Funding Lender, the Servicer or the Underwriter Group may become subject insofar as the Liabilities arise out of or are based upon the omission or alleged omission to state in the Provided Information of a material fact required to be stated in the Provided Information in order to make the statements in the Provided Information, in light of the circumstances under which they were made not misleading and (ii) reimburse the Funding Lender, the Servicer, the Underwriter Group and other indemnified parties listed above for any reasonable legal and other actual expenses reasonably incurred by the Funding Lender, the Servicer or the Underwriter Group in connection with defending or investigating such Liabilities; provided that the Borrower shall not provide any indemnification regarding any Provided Information obtained from unrelated third parties except with respect to information it provided to such parties.

Section 9.1.5 Indemnification Procedure. Promptly after receipt by an indemnified party under Sections 9.1.3 and 9.1.4 hereof of notice of the commencement of any action for which a claim for indemnification is to be made against the Borrower, such indemnified party shall notify the Borrower in writing of such commencement, but the omission to so notify the Borrower will not relieve the Borrower from any liability that it may have to any indemnified party hereunder except to the extent

that failure to notify causes prejudice to the Borrower. In the event that any action is brought against any indemnified party, and it notifies the Borrower of the commencement thereof, the Borrower will be entitled, jointly with any other indemnifying party, to participate therein and, to the extent that it (or they) may elect by Written Notice delivered to the indemnified party promptly after receiving the aforesaid notice of commencement, to assume the defense thereof with counsel selected by the Borrower and reasonably satisfactory to such indemnified party in its sole discretion. After notice from the Borrower to such indemnified party under this Section 9.1.5, the Borrower shall not be responsible for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. No indemnified party shall settle or compromise any claim for which the Borrower may be liable hereunder without the prior Written Consent of the Borrower.

Section 9.1.6. Contribution. In order to provide for just and equitable contribution in circumstances in which the indemnity agreement provided for in Section 9.1.4 hereof is for any reason held to be unenforceable by an indemnified party in respect of any Liabilities (or action in respect thereof) referred to therein which would otherwise be indemnifiable under Section 9.1.4 hereof, the Borrower shall contribute to the amount paid or payable by the indemnified party as a result of such Liabilities (or action in respect thereof); provided, however, that no Person guilty of fraudulent misrepresentation (within the meaning of Section 10(f) of the Securities Act) shall be entitled to contribution from any Person not guilty of such fraudulent misrepresentation. In determining the amount of contribution to which the respective parties are entitled, the following factors shall be considered: (i) the indemnified parties and the Borrower's relative knowledge and access to information concerning the matter with respect to which the claim was asserted; (ii) the opportunity to correct and prevent any statement or omission; and (iii) any other equitable considerations appropriate in the circumstances. The parties hereto hereby agree that it may not be equitable if the amount of such contribution were determined by pro rata or per capita allocation.

ARTICLE X
MISCELLANEOUS

Section 10.1. Notices. All notices, consents, approvals and requests required or permitted hereunder or under any other Borrower Loan Document or Funding Loan Document (a "notice") shall be deemed to be given and made when delivered by hand, by recognized overnight delivery service, confirmed facsimile transmission (provided any telecopy or other electronic transmission received by any party after 4:00 p.m., local time, as evidenced by the time shown on such transmission, shall be deemed to have been received the following Business Day), or five (5) calendar days after deposited in the United States mail, registered or certified, postage prepaid, with return receipt requested, addressed as follows:

If to the Borrower:	Homan Square Apartments Phase IV Holder, LP c/o IFF 333 South Wabash Avenue, Suite 2800 Chicago, Illinois 60664 Attention: _____
and with a copy to:	Homan Square Apartments Phase IV Holder, LP c/o Foundation for Homan Square 906 South Homan Avenue Chicago, Illinois 60624 Attention: _____

and with a copy to:	Husch Blackwell LLP 8001 Forsyth Boulevard, Suite 1500 St. Louis, Missouri 63105 Attention: Joseph Bredehoft
and with a copy to:	Red Stone Equity Holding, LLC 90 Park Avenue, 28th Floor New York, New York 10016 Attention: Chief Executive Officer & Director/ Senior Vice President, Legal
and with a copy to:	Applegate & Thorne-Thomsen, P.C. 425 South Financial Place, Suite 1900 Chicago, Illinois 60605 Attention: Bennett P. Applegate, Sr.
If to the Governmental Lender:	City of Chicago Department of Housing 121 North LaSalle Street, Suite 1006 Chicago, Illinois 60602 Attention: Commissioner, Department of Housing Telephone: (312) 744-9476 Facsimile: (312) 742-2271
and with a copy to:	City of Chicago Office of Corporation Counsel 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division Telephone: (312) 744-0200 Facsimile: (312) 742-0277 (refer to "Finance & Econ. Development Division" on cover sheet)
and with a copy to:	City of Chicago Office of the City Comptroller's Office 33 North LaSalle Street, Suite 600 Chicago, Illinois 60602 Attention: City Comptroller Telephone: (312) 744-7106 Facsimile: (312) 742-6544
If to the Construction Lender:	BMO Bank N.A. 320 South Canal Street, 15th Floor Chicago, Illinois 60602 Attention: Portfolio Manager/Homan Square Apartments Phase IV

and with a copy to:	Charity & Associates P.C. 20 North Clark Street Chicago, Illinois 60602 Attention: _____
If to the Funding Lender:	Cedar Rapids Bank and Trust Company 500 First Avenue NE Cedar Rapids, Iowa 52401 Attention: Michael Goerdt E-mail: mgoerdt@crbt.com Telephone: (319) 743-7029
With a copy to:	Winthrop & Weinstein, P.A. 225 S. 6th Street, Suite 3500 Capella Tower Minneapolis, Minnesota 55402 Attention: Holly Stocker E-mail: hstocker@winthrop.com Telephone: (612) 604-6490

Any party may change such party's address for the notice or demands required under this Borrower Loan Agreement by providing written notice of such change of address to the other parties by written notice as provided herein.

Section 10.2. Brokers and Financial Advisors. The Borrower hereby represents that it has dealt with no financial advisors, brokers, underwriters, placement agents, agents or finders in connection with the Borrower Loan, other than those disclosed to the Funding Lender and whose fees shall be paid by the Borrower pursuant to separate agreements. The Borrower and the Funding Lender shall indemnify and hold the other harmless from and against any and all claims, liabilities, costs and expenses of any kind in any way relating to or arising from a claim by any Person that such Person acted on behalf of the indemnifying party in connection with the transactions contemplated herein. The provisions of this Section 10.2 shall survive the expiration and termination of this Borrower Loan Agreement and the repayment of the Borrower Payment Obligations.

Section 10.3. Survival. This Borrower Loan Agreement and all covenants, agreements, representations and warranties made herein and in the certificates delivered pursuant hereto shall survive the making by the Governmental Lender of the Borrower Loan and the execution and delivery to the Governmental Lender of the Borrower Note and the assignment of the Borrower Note to the Funding Lender, and shall continue in full force and effect so long as all or any of the Borrower Payment Obligations is unpaid. All the Borrower's covenants and agreements in this Borrower Loan Agreement shall inure to the benefit of the respective legal representatives, successors and assigns of the Governmental Lender, the Funding Lender and the Servicer.

Section 10.4. Preferences. The Governmental Lender shall have the continuing and exclusive right to apply or reverse and reapply any and all payments by the Borrower to any portion of the Borrower Payment Obligations. To the extent the Borrower makes a payment to the Governmental Lender or the Servicer, or the Governmental Lender or the Servicer receives proceeds of any collateral, which is in whole or part subsequently invalidated, declared to be fraudulent or preferential; set aside or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause, then, to the extent of such payment or proceeds received, the Borrower Payment Obligations or part thereof intended to be satisfied shall be revived and continue in

full force and effect, as if such payment or proceeds had not been received by the Governmental Lender or the Servicer.

Section 10.5. Waiver of Notice. The Borrower shall not be entitled to any notices of any nature whatsoever from the Funding Lender or the Servicer except with respect to matters for which this Borrower Loan Agreement or any other Borrower Loan Document or the Funding Loan Agreement or any other Funding Loan Document specifically and expressly provides for the giving of notice by the Funding Lender or the Servicer, as the case may be, to the Borrower and except with respect to matters for which the Borrower is not, pursuant to applicable Legal Requirements, permitted to waive the giving of notice. The Borrower hereby expressly waives the right to receive any notice from the Funding Lender or the Servicer, as the case may be, with respect to any matter for which no Borrower Loan Document specifically and expressly provides for the giving of notice by the Funding Lender or the Servicer to the Borrower.

Section 10.6. Offsets, Counterclaims and Defenses. The Borrower hereby waives the right to assert a counterclaim, other than a compulsory counterclaim, in any action or proceeding brought against it by the Funding Lender or the Servicer with respect to a Borrower Loan Payment. Any assignee of Funding Lender's interest in and to the Borrower Loan Documents or the Funding Loan Documents shall take the same free and clear of all offsets, counterclaims or defenses that are unrelated to the Borrower Loan Documents or the Funding Loan Documents which the Borrower may otherwise have against any assignor of such documents, and no such unrelated offset, counterclaim or defense shall be interposed or asserted by the Borrower in any action or proceeding brought by any such assignee upon such documents, and any such right to interpose or assert any such unrelated offset, counterclaim or defense in any such action or proceeding is hereby expressly waived by the Borrower.

Section 10.7. Publicity. The Funding Lender and the Servicer (and any Affiliates of either party) shall have the right to issue press releases, advertisements and other promotional materials describing the Funding Lender's or the Servicer's participation in the making of the Borrower Loan or the Borrower Loan's inclusion in any Secondary Market Transaction effectuated by the Funding Lender or the Servicer or one of its or their Affiliates. All news releases, publicity or advertising by the Borrower or its Affiliates through any media intended to reach the general public, which refers to the Borrower Loan Documents or the Funding Loan Documents, the Borrower Loan, the Funding Lender or the Servicer in a Secondary Market Transaction, shall be subject to the prior Written Consent of the Funding Lender or the Servicer, as applicable.

Section 10.8. Construction of Documents. The parties hereto acknowledge that they were represented by counsel in connection with the negotiation and drafting of the Borrower Loan Documents and the Funding Loan Documents and that the Borrower Loan Documents and the Funding Loan Documents shall not be subject to the principle of construing their meaning against the party that drafted them.

Section 10.9. No Third Party Beneficiaries. The Borrower Loan Documents and the Funding Loan Documents are solely for the benefit of the Governmental Lender, the Funding Lender, the Servicer and the Borrower and, with respect to Sections 9.1.3 and 9.1.4 hereof, the Underwriter Group, and nothing contained in any Borrower Loan Document shall be deemed to confer upon anyone other than the Governmental Lender, the Funding Lender, the Servicer, and the Borrower any right to insist upon or to enforce the performance or observance of any of the obligations contained therein.

Section 10.10. Assignment. The Borrower Loan, the Security Instrument, the Borrower Loan Documents and the Funding Loan Documents and all Funding Lender's rights, title, obligations and interests therein may be assigned by the Funding Lender, at any time in its sole discretion, whether by

operation of law (pursuant to a merger or other successor in interest) or otherwise with Written Notice to Borrower. Upon such assignment, all references to Funding Lender in this Borrower Loan Agreement and in any Borrower Loan Document shall be deemed to refer to such assignee or successor in interest and such assignee or successor in interest shall thereafter stand in the place of the Funding Lender. Borrower shall accord full recognition to any such assignment, and all rights and remedies of Funding Lender in connection with the interest so assigned shall be as fully enforceable by such assignee as they were by Funding Lender before such assignment. In connection with any proposed assignment, Funding Lender may disclose to the proposed assignee any information that Borrower has delivered, or caused to be delivered, to Funding Lender with reference to Borrower, General Partner, Guarantor or any Affiliate, or the Project, including information that Borrower is required to deliver to Funding Lender pursuant to this Borrower Loan Agreement, provided that such proposed assignee agrees to treat such information as confidential. The Borrower may not assign its rights, interests or obligations under this Borrower Loan Agreement or under any of the Borrower Loan Documents or Funding Loan Documents, or Borrower's interest in any moneys to be disbursed or advanced hereunder, except only as may be expressly permitted hereby.

Section 10.11. Rights of Construction Lender Prior to Conversion. The Permanent Funding Lender shall have no rights or obligations under this Borrower Loan Agreement until after Conversion and the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender pursuant to the Forward Bond Purchase Agreement. Until Conversion and the assignment, endorsement and delivery of the Governmental Lender Note and the Borrower Note by the Construction Funding Lender to the Permanent Funding Lender, Construction Funding Lender shall be deemed to be the sole Funding Lender hereunder and shall have the sole and exclusive right to exercise any rights of Funding Lender hereunder, including the right to modify, amend or supplement this Borrower Loan Agreement and to grant any waivers or other indulgences under this Borrower Loan Agreement or the other Borrower Loan Documents and to determine compliance with any terms or conditions under this Borrower Loan Agreement or the other Borrower Loan Documents and to declare any default or Event of Default under this Borrower Loan Agreement or under any of the other Borrower Lender Documents and to exercise any remedies of Funding Lender under this Borrower Loan Agreement or under any of the other Borrower Loan Documents.

Section 10.12. Governmental Lender, Funding Lender and Servicer Not in Control; No Partnership. None of the covenants or other provisions contained in this Borrower Loan Agreement shall, or shall be deemed to, give the Governmental Lender, the Funding Lender or the Servicer the right or power to exercise control over the affairs or management of the Borrower, the power of the Governmental Lender, the Funding Lender and the Servicer being limited to the rights to exercise the remedies referred to in the Borrower Loan Documents and the Funding Loan Documents. The relationship between the Borrower and the Governmental Lender, the Funding Lender and the Servicer is, and at all times shall remain, solely that of debtor and creditor. No covenant or provision of the Borrower Loan Documents or the Funding Loan Documents is intended, nor shall it be deemed or construed, to create a partnership, joint venture, agency or common interest in profits or income between the Borrower and the Governmental Lender, the Funding Lender or the Servicer or to create an equity in the Project in the Governmental Lender, the Funding Lender or the Servicer. Neither the Governmental Lender, the Funding Lender nor the Servicer undertakes or assumes any responsibility or duty to the Borrower or to any other person with respect to the Project or the Borrower Loan, except as expressly provided in the Borrower Loan Documents or the Funding Loan Documents; and notwithstanding any other provision of the Borrower Loan Documents and the Funding Loan Documents: (1) the Governmental Lender, the Funding Lender and the Servicer are not, and shall not be construed as, a partner, joint venturer, alter ego, manager, controlling person or other business associate or participant of any kind of the Borrower or its stockholders, members, or partners and the Governmental Lender, the Funding Lender and the Servicer

do not intend to ever assume such status; (2) the Governmental Lender, the Funding Lender and the Servicer shall in no event be liable for any the Borrower Payment Obligations, expenses or losses incurred or sustained by the Borrower; and (3) the Governmental Lender, the Funding Lender and the Servicer shall not be deemed responsible for or a participant in any acts, omissions or decisions of the Borrower, the Borrower Controlling Entities or its stockholders, members, or partners. The Governmental Lender, the Funding Lender and the Servicer and the Borrower disclaim any intention to create any partnership, joint venture, agency or common interest in profits or income between the Governmental Lender, the Funding Lender, the Servicer and the Borrower, or to create an equity in the Project in the Funding Lender or the Servicer, or any sharing of liabilities, losses, costs or expenses.

Section 10.13. Release. The Borrower hereby acknowledges that it is executing this Borrower Loan Agreement and each of the Borrower Loan Documents and the Funding Loan Documents to which it is a party as its own voluntary act free from duress and undue influence.

Section 10.14. Term of Borrower Loan Agreement. This Borrower Loan Agreement shall be in full force and effect until all payment obligations of the Borrower hereunder have been paid in full and the Borrower Loan and the Funding Loan have been retired or the payment thereof has been provided for; except that on and after payment in full of the Borrower Note, this Borrower Loan Agreement shall be terminated, without further action by the parties hereto; provided, however, that the obligations of the Borrower under Sections 5.11 (Governmental Lender's Fees), 5.14 (Expenses), 5.15 (Indemnity), 9.1.3, 9.1.4, 9.1.5, 9.1.6 and 10.15 (Reimbursement of Expenses) hereof, as well as under Section 11.13 of the Construction Funding Agreement, shall survive the termination of this Borrower Loan Agreement.

Section 10.15. Reimbursement of Expenses. If, upon or after the occurrence of any Event of Default or Potential Default, the Governmental Lender, the Funding Lender or the Servicer shall employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the Borrower contained herein, the Borrower will on demand therefor reimburse the Governmental Lender, the Funding Lender and the Servicer for reasonable fees of such attorneys and such other expenses so incurred.

The Borrower's obligation to pay the amounts required to be paid under this Section 10.15 shall be subordinate to its obligations to make payments under the Borrower Note.

Section 10.16. Permitted Contests. Notwithstanding anything to the contrary contained in this Borrower Loan Agreement, Borrower shall have the right to contest or object in good faith to any claim, demand, levy or assessment (other than in respect of Debt or Contractual Obligations of Borrower under any Borrower Loan Document or Related Document) by appropriate legal proceedings that are not prejudicial to Funding Lender's rights, but this shall not be deemed or construed as in any way relieving, modifying or providing any extension of time with respect to Borrower's covenant to pay and comply with any such claim, demand, levy or assessment, unless Borrower shall have given prior Written Notice to the Governmental Lender and the Funding Lender of Borrower's intent to so contest or object thereto, and unless (i) Borrower has, in the Governmental Lender's and the Funding Lender's judgment, a reasonable basis for such contest, (ii) Borrower pays when due any portion of the claim, demand, levy or assessment to which Borrower does not object, (iii) Borrower demonstrates to Funding Lender's satisfaction that such legal proceedings shall conclusively operate to prevent enforcement prior to final determination of such proceedings, (iv) Borrower furnishes such bond, surety, undertaking or other security in connection therewith as required by law, or as requested by and satisfactory to Funding Lender, to stay such proceeding, which bond, surety, undertaking or other security shall be issued by a bonding company, insurer or surety company reasonably satisfactory to Funding Lender and shall be sufficient to cause the claim, demand, levy or assessment to be insured against by the Title Company or removed as a lien against the Project, (v) Borrower at all times prosecutes the contest with due diligence,

and (vi) Borrower pays, promptly following a determination of the amount of such claim, demand, levy or assessment due and owing by Borrower, the amount so determined to be due and owing by Borrower. In the event that Borrower does not make, promptly following a determination of the amount of such claim, demand, levy or assessment due and owing by Borrower, any payment required to be made pursuant to clause (vi) of the preceding sentence, an Event of Default shall have occurred, and Funding Lender may draw or realize upon any bond or other security delivered to Funding Lender in connection with the contest by Borrower, in order to make such payment.

Section 10.17. Funding Lender Approval of Instruments and Parties. All proceedings taken in accordance with transactions provided for herein, and all surveys, appraisals and documents required or contemplated by this Borrower Loan Agreement and the persons responsible for the execution and preparation thereof, shall be satisfactory to and subject to approval by Funding Lender. Funding Lender's approval of any matter in connection with the Project shall be for the sole purpose of protecting the security and rights of Funding Lender. No such approval shall result in a waiver of any default of Borrower. In no event shall Funding Lender's approval be a representation of any kind with regard to the matter being approved.

Section 10.18. Funding Lender Determination of Facts. Funding Lender shall at all times be free to establish independently, to its reasonable satisfaction, the existence or nonexistence of any fact or facts, the existence or nonexistence of which is a condition of this Borrower Loan Agreement.

Section 10.19. Calendar Months. With respect to any payment or obligation that is due or required to be performed within a specified number of Calendar Months after a specified date, such payment or obligation shall become due on the day in the last of such specified number of Calendar Months that corresponds numerically to the date so specified; provided, however, that with respect to any obligation as to which such specified date is the 29th, 30th or 31st day of any Calendar Month: if the Calendar Month in which such payment or obligation would otherwise become due does not have a numerically corresponding date, such obligation shall become due on the first day of the next succeeding Calendar Month.

Section 10.20. Determinations by Lender. Except to the extent expressly set forth in this Borrower Loan Agreement to the contrary, in any instance where the consent or approval of the Governmental Lender and the Funding Lender may be given or is required, or where any determination, judgment or decision is to be rendered by the Governmental Lender and the Funding Lender under this Borrower Loan Agreement, the granting, withholding or denial of such consent or approval and the rendering of such determination, judgment or decision shall be made or exercised by the Governmental Lender and the Funding Lender, as applicable (or its designated representative) at its sole and exclusive option and in its sole and absolute discretion.

Section 10.21. Governing Law. This Borrower Loan Agreement shall be governed by and enforced in accordance with the laws of the State, without giving effect to the choice of law principles of the State that would require the application of the laws of a jurisdiction other than the State.

Section 10.22. Consent to Jurisdiction and Venue. Borrower agrees that any controversy arising under or in relation to this Borrower Loan Agreement shall be litigated exclusively in the State. The state and federal courts and authorities with jurisdiction in the State shall have exclusive jurisdiction over all controversies which shall arise under or in relation to this Borrower Loan Agreement. Borrower irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise. However, nothing herein is intended to limit Beneficiary Parties' right to bring any suit, action or

proceeding relating to matters arising under this Borrower Loan Agreement against Borrower or any of Borrower's assets in any court of any other jurisdiction.

Section 10.23. Successors and Assigns. This Borrower Loan Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors, successors-in-interest and assigns, as appropriate. The terms used to designate any of the parties herein shall be deemed to include the heirs, legal representatives, successors, successors-in-interest and assigns, as appropriate, of such parties. References to a "person" or "persons" shall be deemed to include individuals and entities.

Section 10.24. Severability. The invalidity, illegality or unenforceability of any provision of this Borrower Loan Agreement shall not affect the validity, legality or enforceability of any other provision, and all other provisions shall remain in full force and effect.

Section 10.25. Entire Agreement; Amendment and Waiver. This Borrower Loan Agreement contains the complete and entire understanding of the parties with respect to the matters covered. This Borrower Loan Agreement may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by a written instrument signed by the party against whom enforcement of the waiver, amendment, change, or modification is sought, and then only to the extent set forth in that instrument. No specific waiver of any of the terms of this Borrower Loan Agreement shall be considered as a general waiver. Without limiting the generality of the foregoing, no Disbursement shall constitute a waiver of any conditions to the Governmental Lender's or the Funding Lender's obligation to make further Disbursements nor, in the event Borrower is unable to satisfy any such conditions, shall any such waiver have the effect of precluding the Governmental Lender or the Funding Lender from thereafter declaring such inability to constitute a Potential Default or Event of Default under this Borrower Loan Agreement.

Section 10.26. Counterparts. This Borrower Loan Agreement may be executed in multiple counterparts, each of which shall constitute an original document and all of which together shall constitute one agreement.

Section 10.27. Captions. The captions of the sections of this Borrower Loan Agreement are for convenience only and shall be disregarded in construing this Borrower Loan Agreement.

Section 10.28. Beneficiary Parties as Third Party Beneficiary. Each of the Beneficiary Parties shall be a third party beneficiary of this Borrower Loan Agreement for all purposes.

Section 10.29. Waiver of Trial by Jury. TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, EACH OF BORROWER AND THE BENEFICIARY PARTIES (A) COVENANTS AND AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS BORROWER LOAN AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVES ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

Section 10.30. Time of the Essence. Time is of the essence with respect to this Borrower Loan Agreement.

Section 10.31. [Reserved].

Section 10.32. Reference Date. This Borrower Loan Agreement is dated for reference purposes only as of the first day of _____, 2025, and will not be effective and binding on the parties hereto unless and until the Closing Date (as defined herein) occurs.

ARTICLE XI
LIMITATIONS ON LIABILITY

Section 11.1. Limitation on Liability. Notwithstanding anything to the contrary herein, the liability of the Borrower hereunder and under the other Borrower Loan Documents and the Funding Loan Documents shall be limited to the extent set forth in the Borrower Note.

Section 11.2. Limitation on Liability of Governmental Lender. The Funding Loan, and interest thereon, are special, limited obligations of the Governmental Lender, payable solely from the Security pledged under the Funding Loan Agreement. The Funding Loan is not a general indebtedness of the Governmental Lender or a charge against its general credit or the general credit taxing powers of the State, the Governmental Lender, or any other political subdivision thereof, and shall never give rise to any pecuniary liability of the Governmental Lender, and neither the Governmental Lender, the State nor any other political subdivision thereof shall be liable for the payments of principal and interest on the Funding Loan, and the Funding Loan is payable from no other source, but are special, limited obligations of the Governmental Lender, payable solely out of the security pledged hereunder and receipts of the Governmental Lender derived pursuant to this Borrower Loan Agreement (and not against any money due or to become due to the Governmental Lender pursuant to Unassigned Rights). No holder of the Funding Loan or any interest therein has the right to compel any exercise of the taxing power of the State, the Governmental Lender or any other political subdivision thereof to pay the Funding Loan or the interest thereon.

No recourse shall be had for the payment of the principal of, premium, if any, or the interest on the Funding Loan or for any claim based thereon or any obligation, covenant or agreement in the Borrower Loan Agreement against any official of the Governmental Lender, or any official, officer, agent, employee or independent contractor of the Governmental Lender or any person executing this Borrower Loan Agreement. No covenant, stipulation, promise, agreement or obligation contained in this Borrower Loan Agreement or any other document executed in connection herewith shall be deemed to be the covenant, stipulation, promise, agreement or obligation of any present or future official, officer, agent or employee of the Governmental Lender in his or her individual capacity and neither any official of the Governmental Lender nor any officers executing this Borrower Loan Agreement shall be liable personally or be subject to any personal liability or accountability by reason of this Borrower Loan Agreement.

Section 11.3. Waiver of Personal Liability. No member, officer, agent or employee of the Governmental Lender or any director, officer, agent or employee of the Governmental Lender shall be individually or personally liable for the payment of any principal (or prepayment price) of or interest on the Governmental Lender Note or any other sum hereunder or be subject to any personal liability or accountability by reason of the execution and delivery of this Borrower Loan Agreement; but nothing herein contained shall relieve any such member, director, officer, agent or employee from the performance of any official duty provided by law or by this Borrower Loan Agreement.

Section 11.4. Limitation on Liability of Funding Lender's Officers, Employees, Etc..

(a) Borrower assumes all risks of the acts or omissions of the Governmental Lender and the Funding Lender (except to the extent that such acts or omissions constitute fraud, gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction), provided, however, this assumption is not intended to, and shall not,

preclude Borrower from pursuing such rights and remedies as it may have against the Governmental Lender and the Funding Lender at law or under any other agreement. None of Governmental Lender and the Funding Lender, nor the other Beneficiary Parties or their respective officers, directors, employees or agents shall be liable or responsible for (i) for any acts or omissions of the Governmental Lender and the Funding Lender; or (ii) the validity, sufficiency or genuineness of any documents, or endorsements, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged. In furtherance and not in limitation of the foregoing, the Governmental Lender and the Funding Lender may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, unless acceptance in light of such notice or information constitutes fraud, gross negligence or willful misconduct on the part of the Governmental Lender and the Funding Lender, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(b) None of the Governmental Lender the Funding Lender, the other Beneficiary Parties or any of their respective officers, directors, employees or agents shall be liable to any contractor, subcontractor, supplier, laborer, architect, engineer or any other party for services performed or materials supplied in connection with the Project. The Governmental Lender and the Funding Lender shall not be liable for any debts or claims accruing in favor of any such parties against Borrower or others or against the Project. Borrower is not and shall not be an agent of the Governmental Lender and the Funding Lender for any purpose. Neither the Governmental Lender nor the Funding Lender is a joint venture partner with Borrower in any manner whatsoever. Prior to default by Borrower under this Borrower Loan Agreement and the exercise of remedies granted herein, the Governmental Lender and the Funding Lender shall not be deemed to be in privity of contract with any contractor or provider of services to the Project, nor shall any payment of funds directly to a contractor, subcontractor or provider of services be deemed to create any third party beneficiary status or recognition of same by the Governmental Lender and the Funding Lender. Approvals granted by the Governmental Lender and the Funding Lender for any matters covered under this Borrower Loan Agreement shall be narrowly construed to cover only the parties and facts identified in any written approval or, if not in writing, such approvals shall be solely for the benefit of Borrower.

(c) Any obligation or liability whatsoever of the Governmental Lender and the Funding Lender that may arise at any time under this Borrower Loan Agreement or any other Borrower Loan Document shall be satisfied, if at all, out of the Funding Lender's assets only. No such obligation or liability shall be personally binding upon, nor shall resort for the enforcement thereof be had to, the Project or any of the Governmental Lender's or the Funding Lender's shareholders (if any), directors, officers, employees or agents, regardless of whether such obligation or liability is in the nature of contract, tort or otherwise.

Section 11.5. Delivery of Reports, Etc. The delivery of reports, information and documents to the Governmental Lender and the Funding Lender as provided herein is for informational purposes only and the Governmental Lender's and the Funding Lender's receipt of such shall not constitute constructive knowledge of any information contained therein or determinable from information contained therein. The Governmental Lender and the Funding Lender shall have no duties or responsibilities except those that are specifically set forth herein, and no other duties or obligations shall be implied in this Borrower Loan Agreement against the Governmental Lender and the Funding Lender.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Borrower Loan Agreement or caused this Borrower Loan Agreement to be duly executed and delivered by its authorized representative as of the date first set forth above. The undersigned intends that this instrument shall be deemed to be signed and delivered as a sealed instrument.

BORROWER:

HOMAN SQUARE APARTMENTS PHASE IV HOLDER, LP,
an Illinois limited partnership

By: Homan Square Apartments Phase IV, LLC
an Illinois limited liability company,
its general partner

By: Homan Phase IV Manager, LLC,
an Illinois limited liability company,
its manager

By: Foundation for Homan Square,
an Illinois not-for-profit
corporation,
its manager

By:_____
Name:
Title:

GOVERNMENTAL LENDER:

CITY OF CHICAGO

By:_____
Name: Jill Jaworski
Title: Chief Financial Officer

[SEAL]

Attest:

By:_____
Name: Andrea M. Valencia
Title: City Clerk

Agreed to and Acknowledged by:

FUNDING LENDER:

BMO BANK N.A.

By:_____

Its:_____

CEDAR RAPIDS BANK & TRUST COMPANY

By:_____

Its:_____

[(Sub)Exhibit "A" referred to in this Borrower Loan Agreement unavailable at time of printing.]

Exhibit "D".

(To Ordinance)

Land-Use Restriction Agreement.

THIS LAND USE RESTRICTION AGREEMENT (this "**Agreement**"), entered into as of _____ 1, 2025, between the **CITY OF CHICAGO**, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "**Issuer**"), and **HOMAN SQUARE APARTMENTS PHASE IV HOLDER LP**, an Illinois limited partnership (the "**Owner**"),

WITNESSETH:

WHEREAS, pursuant to an ordinance adopted by the Issuer on _____, 2025 (the "**Ordinance**") and a funding loan agreement (the "**Funding Loan Agreement**") with BMO Bank, N.A.(the "**Construction Funding Lender**") and Cedar Rapids Bank & Trust Company (the "**Permanent Funding Lender**" and together with the Construction Funding Lender, the "**Funding Lender**"), pursuant to which the Issuer will borrow an aggregate principal amount not to exceed Nineteen Million Dollars ($19,000,000) (the "**Funding Loan**") for a portion of the purposes set forth above and in evidence of its limited, special obligation to repay that borrowing, issue a tax-exempt revenue note, to be designated as the Multifamily Mortgage Revenue Note, 2025 Series A (Homan Square Apartments Phase IV) (the "**Note**") under the terms and conditions of the Ordinance and the Funding Loan Agreement,

WHEREAS, the proceeds derived from the issuance and sale of the Note have been lent by the Issuer to the Owner pursuant to the a borrower loan agreement of even date herewith (the "**Borrower Loan Agreement**"), between the Issuer and the Owner for the purpose of financing a portion of the costs of acquiring, leasing, rehabilitating, and equipping six low- and moderate- income residential facilities and related common facilities located in the City of Chicago, Cook County, Illinois, known or to be known as Homan Square Phase IV Apartments, located at 3645, 3621 and 3607 West Polk Street, 906 and 908 South Central Park Avenue and 921 South Lawndale Avenue (together, the "**Project**") in Chicago, Cook County, Illinois, as more particularly described on ***Exhibit F*** hereto (collectively, the "**Property**"), and to pay a portion of the costs of issuance and other costs incurred in connection therewith; and

WHEREAS, in order to assure the Issuer and the Funding Lender that interest on the Note will be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "**Code**"), and to further the public purposes of the Issuer, certain restrictions on the use and occupancy of the Project under the Code must be established;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Owner and the Issuer agree as follows:

Section 1. Term of Restrictions.

(a) ***Occupancy Restrictions***. The term of the Occupancy Restrictions set forth in Section 3 hereof shall commence on the first day on which at least 10% of the units are first occupied following completion of such units and shall end on the latest of (i) the date which is 15 years after the date on which at least 50% of the units in the Project is first occupied; (ii) the first date on which no tax-exempt note or bond (including any refunding note or bond) issued with respect to a the Project is outstanding; or (iii) the date on which any housing assistance provided with respect to a Project under Section 8 of the United States Housing Act of 1937, as amended, terminates (which period is hereinafter referred with respect to the Project as the "**Qualified Project Period**").

(b) ***Rental Restrictions***. The Rental Restrictions with respect to the Project set forth in Section 4 hereof shall remain in effect during the Qualified Project Period.

(c) ***Involuntary Loss or Substantial Destruction***. The Occupancy Restrictions set forth in Section 3 hereof, and the Rental Restrictions set forth in Section 4 hereof, shall cease to apply to the Project in the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in federal law or an action of a federal agency (with respect to the Project) after the date of delivery of the Note, which prevents the Issuer from enforcing the Occupancy Restrictions and the Rental Restrictions (with respect to the Project), or condemnation or similar event (with respect to the Project), but only if, within a reasonable time, (i) all of the Note is promptly retired, or amounts received as a consequence of such event are used to provide a new project which meets all of the requirements of this Agreement, which new project is subject to new restrictions substantially equivalent to those contained in this Agreement, and which is substituted in place of the Project by amendment of this Agreement; and (ii) an opinion from nationally recognized bond counsel (selected by the Issuer) is received to the effect that noncompliance with the Occupancy Restrictions and the Rental Restrictions applicable to the Project as a result of such involuntary loss or substantial destruction resulting from an unforeseen event with respect to the Project will not adversely affect the exclusion of the interest on the Note from the gross incomes of the owners thereof for purposes of federal income taxation; provided, however, that the preceding provisions of this paragraph shall cease to apply in the case of such involuntary noncompliance caused by foreclosure, transfer of title by deed in lieu of foreclosure or similar event if at any time during the Qualified Project Period with respect to the Project subsequent to such event the Owner or any Affiliated Party (as hereinafter defined) obtains an ownership interest in the Project for federal income tax purposes. "**Affiliated Party**" means a person whose relationship to another person is such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code; or (ii) such persons are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50%" shall be substituted for "at least 80%" each place it appears therein).

(d) ***Termination***. This Agreement shall terminate with respect to the Project upon the earliest of (i) termination of the Occupancy Restrictions and the Rental Restrictions, as provided in paragraphs (a) and (b) of this Section 1; or (ii) delivery to the Issuer and the Owner of an opinion of nationally recognized bond counsel (selected by the Issuer) to the effect that continued compliance of the Project with the Rental Restrictions and the Occupancy Restrictions applicable to the Project is not required in order for interest on the Note to remain excludible from gross income for federal income tax purposes.

(e) ***Certification***. Upon termination of this Agreement, the Owner and the Issuer shall execute and cause to be recorded (at the Owner's expense), in all offices in which this Agreement was recorded, a certificate of termination, specifying which of the restrictions contained herein has terminated.

(f) ***Encumbrance of Fee***. In furtherance of enforcing compliance with the provisions of Section 142(d) of the Code and Section 1.103-8(b) of the Regulations applicable to this Agreement, unless the provisions of paragraph (c) or (d) above apply to the Project resulting in a termination of the restrictions set forth herein, such restrictions shall continue to apply to the Project following the termination of the Owner's or any other party's leasehold estate therein, whether or not the Project is thereafter released by the Issuer.

Section 2. Project Restrictions. The Owner represents, warrants and covenants that:

(a) The Owner has reviewed the provisions of the Code and the Treasury Regulations thereunder (the "**Regulations**") applicable to this Agreement (including, without limitation, Section 142(d) of the Code and Section 1.103-8(b) of the Regulations) with its counsel and understands said provisions.

(b) The Project is being acquired, leased, rehabilitated and equipped for the purpose of providing a "qualified residential rental project" (as such phrase is used in Section 142(d) of the Code) and will, during the term of the Rental Restrictions and Occupancy Restrictions hereunder applicable to the Project continue to constitute a "qualified residential rental project" under Section 142(d) of the Code and any Regulations heretofore or hereafter promulgated thereunder and applicable thereto.

(c) Substantially all (not less than 95%) of the Project will consist of a "building or structure" (as defined in Section 1.103-8(b)(8)(iv) of the Regulations), or several proximate buildings or structures, of similar construction, each containing one or more similarly constructed residential units (as defined in Section 1.103-8(b)(8)(i) of the Regulations) located on a single tract of land or contiguous tracts of land (as defined in Section 1.103-8(b)(4)(ii)-(B) of the Regulations), which will be owned, for federal tax purposes, at all times by the same person, and financed pursuant to a common plan (within the meaning of Section 1.103-8(b)(4)(ii) of the Regulations), together with functionally related and subordinate facilities (within the meaning of Section 1.103-8(b)(4)(iii) of the Regulations). If any such building or structure contains fewer than five (5) units, no unit in such building or structure shall be Owner-occupied.

(d) None of the units in the Project will at any time be used on a transient basis, nor will the Project itself be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court for use on a transient basis; nor shall any portion of the Project be operated as an assisted living facility which provides continual or frequent nursing, medical or psychiatric services; provided, however that nothing herein shall be understood to prohibit single room occupancy units occupied under month to month leases.

(e) Any functionally related and subordinate facilities (*e.g.*, parking areas, swimming pools, tennis courts, etc.) which are included as part of the Project, will be of a character and size commensurate with the character and size of the Project and will be made available to all tenants in the Project on an equal basis; fees will only be charged with respect to the use thereof if the charging of fees is customary for the use of such facilities at similar residential rental properties in the surrounding area (i.e., within a one-mile radius), or, if none, then within comparable urban settings in the City of Chicago, and then only in amounts commensurate with the fees being charged at similar residential rental properties within such area. In any event, any fees charged will not be discriminatory or exclusionary as to the Qualifying Tenants (as defined in Section 3 hereof). No functionally related and subordinate facilities will be made available to persons other than tenants or their guests.

(f) Each residential unit in the Project will contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for a single person or family.

(g) No portion of the Project will be used to provide any health club facility (except as provided in (f) above), any facility primarily used for gambling, or any store, the principal business of which is the sale of alcoholic beverages for consumption off premises, in violation of Section 147(e) of the Code.

Section 3. Occupancy Restrictions. The Owner represents. warrants and covenants with respect to the Project that:

(a) Pursuant to the election of the Issuer in accordance with the provisions of Section 142(d)(1)(A) of the Code, at all times during the Qualified Project Period with respect to the Project at least **40%** of the completed units in the Project shall be continuously occupied (or treated as occupied as provided herein) or held available for occupancy by Qualifying Tenants as herein defined. For purposes of this Agreement, "**Qualifying Tenants**" means individuals or families whose aggregate adjusted incomes do not exceed **60%** of the applicable median gross income (adjusted for family size) for the area in which the Project is located, as such income and area median gross income are determined by the Secretary of the

United States Treasury in a manner consistent with determinations of income and area median gross income under Section 8 of the United States Housing Act of 1937, as amended (or, if such program is terminated, under such program as in effect immediately before such determination).

(b) Prior to the commencement of occupancy of any unit to be occupied by a Qualifying Tenant, the prospective tenant's eligibility shall be established by execution and delivery by such prospective tenant of an Income Computation and Certification in the form attached hereto as **Exhibit B** (the "**Income Certification**") evidencing that the aggregate adjusted income of such prospective tenant does not exceed the applicable income limit. In addition, such prospective tenant shall be required to provide whatever other information, documents or certifications are reasonably deemed necessary by the Owner or the Issuer to substantiate the Income Certification.

(c) Not less frequently than annually, the Owner shall determine whether the current aggregate adjusted income of each tenant occupying any unit being treated by the Owner as occupied by a Qualifying Tenant exceeds the applicable income limit. For such purpose the Owner shall require each such tenant to execute and deliver the Income Certification; *provided, however*, that for any calendar year during which no unit in the Project is occupied by a new resident who is not a qualifying tenant, no Income Computation and Certification for existing tenants shall be required.

(d) Any unit vacated by a Qualifying Tenant shall be treated as continuing to be occupied by such tenant until reoccupied, other than for a temporary period not to exceed 31 days, at which time the character of such unit as a unit occupied by a Qualifying Tenant shall be redetermined.

(e) If an individual's or family's income exceeds the applicable income limit as of any date of determination, the income of such individual or family shall be treated as continuing not to exceed the applicable limit, provided that the income of an individual or family did not exceed the applicable income limit upon commencement of such tenant's occupancy or as of any prior income determination, and provided, further, that if any individual's or family's income as of the most recent income determination exceeds 140% of the applicable income limit, such individual or family shall cease to qualify as a Qualifying Tenant if, prior to the next income determination of such individual or family, any unit in the Project of comparable or smaller size to such individual's or family's unit is occupied by any tenant other than a Qualifying Tenant.

(f) The lease to be utilized by the Owner in renting any unit in the Project to a prospective Qualifying Tenant shall provide for termination of the lease and consent by such person to eviction following 30 days' written notice, subject to applicable provisions of Illinois law (including for such purpose all applicable home rule ordinances), for any material misrepresentation made by such person with respect to the Income Certification with the effect that such tenant is not a Qualified Tenant.

(g) All Income Certifications will be maintained on file at the Project as long as the Note is outstanding and for five years thereafter with respect to each Qualifying Tenant who occupied a unit in the Project during the period the restrictions hereunder are applicable, and the Owner will, promptly upon receipt, file a copy thereof with the Issuer.

(h) On the first day of the Qualified Project Period, on the fifteenth days of January, April, July and October of each year during the Qualified Project Period, and within 30 days after the final day of each month in which there occurs any change in the occupancy of a unit in the Project, the Owner will submit to the Issuer a "Certificate of Continuing Program Compliance," in the form attached hereto as **Exhibit C** executed by the Owner.

(i) The Owner shall submit to the Secretary of the United States Treasury (at such time and in such manner as the Secretary shall prescribe) with respect to the Project, an annual certification on Form 8703 as to whether such Project continues to meet the requirements of Section 142(d) of the Code. Failure to comply with such requirement may subject the Owner to the penalty provided in Section 6652(j) of the Code.

(j) For purposes of this Agreement, the residential leasing office for the Project shall not be considered a unit of the Project.

Section 4. Rental Restrictions. The Owner represents, warrants and covenants with respect to the Project, that once available for occupancy, each unit in the Project will be rented or available for rental on a continuous basis to members of the general public (other than (a) units for resident managers or maintenance personnel, (b) units for Qualifying Tenants as provided for in Section 3 hereof, and (c) units which may be rented under the Section 8 assistance program, which units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section 8 requirements). If a Housing Assistance Payments Contract is subsequently entered into with respect to the Project under the Section 8 assistance program, in administering the restrictions hereunder, the Owner will comply with all Section 8 requirements.

Section 5. Transfer Restrictions. The Owner covenants and agrees that no conveyance, transfer, assignment or any other disposition of title to any portion of the Project (a "**Transfer**") shall be made prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder, unless the transferee pursuant to the Transfer assumes in writing (the "Assumption Agreement"), in a form reasonably acceptable to the Issuer, all of the executory duties and obligations hereunder of the Owner, including those contained in this Section 5, and agrees to cause any subsequent transferee to assume such duties and obligations in the event of a subsequent Transfer by the transferee prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder. The Owner shall deliver the Assumption Agreement to the Issuer at least 30 days prior to a proposed Transfer. This Section 5 shall not apply to any involuntary transfer pursuant to Section 1(c) hereof. This Section shall not be deemed to restrict the transfer of any partnership interest in the Owner or a transfer by foreclosure or deed in lieu of foreclosure.

Section 6. Enforcement.

(a) The Owner shall permit all duly authorized representatives of the Issuer to inspect any books and records of the Owner regarding the Project and the incomes of Qualifying Tenants which pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(b) In addition to the information provided for in Section 3(i) hereof, the Owner shall submit any other information, documents or certifications reasonably requested by the Issuer, which the Issuer deems reasonably necessary to substantiate continuing compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(c) The Issuer and the Owner each covenant that it will not take or permit to be taken any action within its control that it knows would adversely affect the exclusion of interest on the Note from the gross income of the owners thereof for purposes of federal income taxation pursuant to Section 103 of the Code. Moreover, each covenants to take any lawful action within its control (including amendment of this Agreement as may be necessary in the opinion of nationally recognized bond counsel selected by the Issuer) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service

from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

(d) The Owner covenants and agrees to inform the Issuer by written notice of any violation of its obligations hereunder within five days of first discovering any such violation. If any such violation is not corrected to the satisfaction of the Issuer within the period of time specified by either the Issuer, which shall be (i) the lesser of (A) 60 days after the effective date of any notice to or from the Owner, or (B) 75 days from the date such violation would have been discovered by the Owner by the exercise of reasonable diligence, or (ii) such longer period as may be necessary to cure such violation, provided bond counsel (selected by the Issuer) of nationally recognized standing in matters pertaining to the exclusion of interest on municipal bonds from gross income for purposes of federal income taxation issues an opinion that such extension will not result in the loss of such exclusion of interest on the Note, without further notice, the Issuer shall declare a default under this Agreement effective on the date of such declaration of default, and the Issuer shall apply to any, court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Agreement.

(e) The Owner and the Issuer each acknowledge that the primary purposes for requiring compliance with the restrictions provided in this Agreement are to preserve the exclusion of interest on the Note from gross income for purposes of federal income taxation, and that the Issuer, on behalf of the owners of the Note, who are declared to be third-party beneficiaries of this Agreement, shall be entitled for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

(f) In the enforcement of this Agreement, the Issuer may rely on any certificate delivered by or on behalf of the Owner or any tenant with respect to the Project.

(g) Nothing in this Section shall preclude the Issuer from exercising any remedies it might otherwise have, by contract, statute or otherwise, upon the occurrence of any violation hereunder.

(h) Notwithstanding anything to the contrary contained herein, the Issuer hereby agrees that any cure of any default made or tendered by one or more of the Owner's partners shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 7. Covenants to Run with the Land. The Owner hereby subjects the Project, and the units to the covenants, reservations and restrictions set forth in this Agreement. The Issuer and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants, reservations and restrictions running with the land to the extent permitted by law, and shall pass to and be binding upon the Owner's successors in title to the Project, the units, and the Property, throughout the term of this Agreement. Each and every contract, deed, mortgage, lease or other instrument hereafter executed covering or conveying the Project, the units, or any portion thereof or interest therein (excluding any transferee of a partnership interest in the Owner), shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed, mortgage, lease or other instrument.

Section 8. Recording. The Owner shall cause this Agreement and all amendments and supplements hereto to be recorded in the conveyance and real property records of Cook County, Illinois, and in such other places as the Issuer may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

Section 9. Agents of the Issuer. The Issuer shall have the right to appoint agents to carry out any of its duties and obligations hereunder, and shall, upon written request, certify in writing to the other party hereto any such agency appointment.

Section 10. No Conflict with Other Documents. The Owner warrants and covenants that it has not and will not execute any other agreement with provisions inconsistent or in conflict with the provisions hereof (except documents that are subordinate to the provisions hereof), and the Owner agrees that the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth, which supersede any other requirements in conflict herewith.

Section 11. Interpretation. Any capitalized terms not defined in this Agreement shall have the same meaning as terms defined in the Funding Loan Agreement, the Borrower Loan Agreement or Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

Section 12. Amendment. Subject to any restrictions set forth in the Funding Loan Agreement, this Agreement may be amended by the parties hereto to reflect changes in Section 142(d) of the Code, the regulations hereafter promulgated thereunder and revenue rulings promulgated thereunder, or in the interpretation thereof.

Section 13. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 14. Notices. Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered and receipted for, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance), or on the first day after being sent by telegram, or on the third day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be given as provided for in Section 11.1 of the Funding Loan Agreement.

Section 15. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois, and where applicable, the laws of the United States of America.

Section 16. Limited Liability of Owner. Notwithstanding any other provision or obligation stated in or implied by this Agreement to the contrary, any and all undertakings and agreements of the Owner contained herein shall not (other than as expressly provided hereinafter in this paragraph) be deemed, interpreted or construed as the personal undertaking or agreement of, or as creating any personal liability upon, any past, present or future partner of the Owner, and no recourse (other than as expressly provided hereinafter in this paragraph) shall be had against the property of the Owner or any past, present or future partner of the Owner, personally or individually for the performance of any undertaking, agreement or obligation, or the payment of any money, under this Agreement or any document executed or delivered by or on behalf of the Owner pursuant hereto or in connection herewith, or for any claim based thereon. It is expressly understood and agreed that the Issuer and the registered owners of the Note, and their respective successors and assigns, shall have the right to sue for specific performance of this Agreement and to otherwise seek equitable relief for the enforcement of the obligations and undertakings of the Owner hereunder, including, without limitation, obtaining an injunction against any violation of this Agreement or the appointment of a receiver to take over and operate all or any portion of the Project in accordance with the terms of this Agreement. This Section shall survive termination of this Agreement.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first above written.

CITY OF CHICAGO

By:_____
Jill Jaworski, Chief Financial Officer

(SEAL)

ATTEST:

_____
Andrea M. Valencia, City Clerk

Acknowledged and agreed to:

HOMAN SQUARE APARTMENTS PHASE IV HOLDER, LP,
an Illinois limited partnership

By: Homan Square Apartments Phase IV, LLC,
an Illinois limited liability company,
its general partner

By: Homan Phase IV Manager, LLC,
an Illinois limited liability company,
its manager

By: Foundation for Homan Square,
an Illinois for-for-profit corporation,
its manager

By: _____,
Name:
Title:

STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that _____, personally known to me to be the _____ of Foundation for Homan Square, an Illinois not-for-profit corporation ("FHS"), the manager of Homan Phase IV Manager, LLC, an Illinois limited liability company ("GP Manager"), the manager of Homan Square Apartments Phase IV, LLC, an Illinois limited liability company ("General Partner'), the general partner of Homan Square Apartments Phase IV Holder LP, an Illinois limited partnership, and personally known to be tobe the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such _____ [she/he] signed and delivered the said instrument, pursuant to authority given by the board of FHS, as the manager of GP Manager, and GP Manager as the manager of General Partner as [his/her] free and voluntary act and as the free and voluntary act and deed of the General Partner and Homan Square Apartments Phase IV Holder LP, for the uses and purposes therein set forth.

Given under my hand and official seal this ____ day of _____, 2025.

(SEAL)

_____
Notary Public

STATE OF ILLINOIS)
) ss:
COUNTY OF COOK)

BEFORE ME, the undersigned authority, on this day personally appeared JILL JAWORSKI and ANDREA M. VALENCIA, the CHIEF FINANCIAL OFFICER and CITY CLERK, respectively, of the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "Issuer"), known to me to be the persons whose names are subscribed to the foregoing instrument, and acknowledged to me that each executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said Issuer.

GIVEN UNDER MY HAND and seal of office, this the _____ day of _____, 2025.

[SEAL]

_____
Notary Public in and for the State of Illinois

My commission expires on:

_____

[(Sub)Exhibit "A" referred to in this Land-Use Restriction Agreement unavailable at time of printing.]

(Sub)Exhibits "B" and "C" referred to in this Land-Use Restriction Agreement read as follows:

(Sub)Exhibit "B".
(To Land-Use Restriction Agreement)

Income Computation And Certification.

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR Part 5). You should make certain that this form is at all times up to date with HUD Regulations. All capitalized terms used herein shall have the meanings set forth in the Land Use Restriction Agreement, dated as of _____ 1, 2025, among the CITY OF CHICAGO and HOMAN SQUARE APARTMENTS PHASE IV HOLDER LP, an Illinois limited partnership (together with its successors and assigns, the "Owner").

Re: Homan Square Apartments Phase IV
Chicago, IL

I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully and truthfully each of the following questions for all persons who are to occupy the unit in the above apartment project for which application is made. Listed below are the names of all persons who intend to reside in the unit:

Name of Members of the Household	**Relationship to Head of Household**	**Age**	**Social Security Number**	**Place of Employment**
	HEAD			
_____	_____	____	_____	_____
_____	SPOUSE	____	_____	_____
_____	_____	____	_____	_____
_____	_____	____	_____	_____

6. **Total Anticipated Income**. The total anticipated income, calculated in accordance with this paragraph 6, of all persons listed above for the 12-month period beginning the date that I/we plan to move into a unit (i.e., _) is $___._Included in the total anticipated income listed above are:

(a) the full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(b) the net income from operation of a business or profession or net income from real or personal property (without deducting expenditures for business expansion or amortization or capital indebtedness); an allowance for depreciation of capital assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulation; include any withdrawal of cash or assets from the operation of a business or profession, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the above persons;

(c) interest and dividends (see 7(C) below);

---

* The form of Income Computation and Certification shall be conformed to any amendments made to 24 CFR Part 5, or any regulatory provisions promulgated in substitution therefor.

(d) the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment;

(e) payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;

(f) the amount of any public welfare assistance payment; if the welfare assistance payment includes any amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(i) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus

(ii) the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities (if the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph 6(f) shall be the amount resulting from one application of the percentage);

(g) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling; and

(h) all regular pay, special pay and allowances of a member of the Armed Forces.

Excluded from such anticipated total income are:

(a) income from employment of children (including foster children) under the age of 18 years;

(b) payment received for the care of foster children or foster adults;

(c) lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;

(d) amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(e) income of a live-in aide;

(f) the full amount of student financial assistance paid directly to the student or to the educational institution;

(g) special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(h) amounts received under training programs funded by the Department of Housing and Urban Development ("HUD");

(i) amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(j) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(k) a resident service stipend in a modest amount (not to exceed $200 per month) received by a resident for performing a service for the Owner, on a part-time basis, that enhances the quality of life in the Project, including, but not limited to, fire patrol, hall monitoring, lawn maintenance and resident initiatives coordination (no resident may receive more than one stipend during the. same period of time);

(l) compensation from state or local employment training programs in training of a family member as resident management staff, which compensation is received under employment training programs (including training programs not affiliated with a local government) with clearly defined goals and objectives, and which compensation is excluded only for the period during which the family member participates in the employment training program;

(m) reparations payment paid by a foreign government pursuant to claims filed under the laws of that government for persons who were persecuted during the Nazi era;

(n) earnings in excess of $480 for each full-time student, 18 years or older, but excluding the head of household and spouse;

(o) adoption assistance payments in excess of $480 per adopted child;

(p) deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;

(q) amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;

(r) amounts paid by a state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;

(s) temporary, nonrecurring or sporadic income (including gifts); and

(t) amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

7. **Assets.**

(a) Do the persons whose income or contributions are included in Item 6 above:

(i) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles, equity in a housing cooperative unit or in a manufactured home in which such family resides, and interests in Indian trust land)? _____ Yes _____No.

(ii) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value? _____Yes _____No.

(b) If the answer to (i) or (ii) above is yes, does the combined total value of all such assets owned or disposed of by -all such persons total more than $5,000? _____Yes _____No.

(c) If the answer to (b) above is yes, state:

(i) the total value of all such assets: $_____

(ii) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy of the unit that you propose to rent: $_____; and

(iii) the amount of such income, if any, that was included in Item 6 above: $_____.

8. **Full-time Students**.

(a) Are all of the individuals who propose to reside in the unit full-time students? _____ Yes ____No.

A full-time student is an individual enrolled as a full-time student (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended) during each of five calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, are at least two of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return? _____Yes _____ No.

9. **Relationship to Project Owner**. Neither myself nor any other occupant of the unit I/we propose to rent is the Owner, has any family relationship to the Owner, or owns directly or indirectly any interest in the Owner. For purposes of this paragraph, indirect ownership by an

individual shall mean ownership by a family member; ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trust held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

10. **Reliance**. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit and is relevant to the status under federal income tax law of the interest on obligations issued to provide financing for the apartment development for which application is being made. I/We consent to the disclosure of such information to the issuer of such obligations, the holders of such obligations, any fiduciary acting on their behalf and any authorized agent of the Treasury Department or the Internal Revenue Service. I/We declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable, and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.

11. **Further Assistance**. I/We will assist the Owner in obtaining any information or documents required to verify the statements made herein, including, but not limited to, either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding two calendar years.

12. **Misrepresentation**. I/We acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit, and may entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

[Signatures Appear on Following Page]

I/We declare under penalty of perjury that the foregoing is true and correct. Executed this _____day of_____ in _____, Illinois.

_____ _____

Applicant Applicant

_____ _____

Applicant Applicant

[Signature of all persons over the age of 18 years listed in 2 above required.]

SUBSCRIBED AND SWORN to before me this ____day of____

(NOTARY SEAL)

Notary Public in and for the State of_____

My Commission Expires: _____

FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

   a. Enter amount entered for entire household in 6 above: $_____

   b. (1) if the amount entered in 7(c)(i) above is greater than $5,000, enter the total amount entered in 7(c)(ii), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance ($_____);

      (2) multiply the amount entered in 7(c)(i) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(c)(ii) would be if invested in passbook savings ($_____), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance ($ _____); and

      (3) enter at right the greater of the amount calculated under (1) or (2) above: $_____.

   c. TOTAL ELIGIBLE INCOME (Line 1.a plus line 1.b(3)): $ _____

2. The amount entered in 1.c is:

_____Less than 80% of Median Gross Income for Area.**
_____More than 80% of Median Gross Income for the Area.".***

3. Number of apartment unit assigned: _____
Bedroom Size: _ Rent: $.

4. The last tenants of this apartment unit for a period of 31 consecutive days [had/did not have] aggregate anticipated annual income, as certified in the above manner upon their initial occupancy of the apartment unit, of less than 80% of Median Gross Income for the Area.

5. Method used to verify applicant(s) income:

_____ Employer income verification.
_____ Copies of tax returns.
_____ Other (_____)

_____
Owner or Manager

** "Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(0(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the method used by the Secretary prior to the termination. "Median Gross Income for the Area" shall be adjusted for family size.

*** See footnote 2.

INCOME VERIFICATION

(for employed persons)

The undersigned employee has applied for a rental unit located in a project financed by the City of Chicago. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual wages _____

Overtime _____

Bonuses _____

Commissions _____

Total current income _____

I hereby certify that the statements above are true and complete to the best of my knowledge.

_____ _____ _____

Signature Date Title

I hereby grant you permission to disclose my income to HOMAN SQUARE APARTMENTS PHASE IV HOLDER LP, an Illinois limited partnership, in order that it may determine my income eligibility for rental of an apartment located in one of its Project which has been financed by the City of Chicago.

_____ _____

Signature Date

Please send to:

_____

_____

_____

INCOME VERIFICATION

(for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding two calendar years and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

_____ _____

Signature Date

(Sub)Exhibit "C".
(To Land-Use Restriction Agreement)

Certificate Of Continuing Program Compliance.

The undersigned, on behalf of Homan Square Apartments Phase IV Holder LP, an Illinois limited partnership (together with its successors and assigns, the "Owner"), hereby certifies as follows:

1. The undersigned has read and is thoroughly familiar with the provisions of the Land-Use Restriction Agreement, dated as of _____ 1, 2025 (the "Land-Use Restriction Agreement"), between the City of Chicago and the Owner. All capitalized terms used herein shall have the meanings given in the Land-Use Restriction Agreement.

2. Based on Certificates of Tenant Eligibility on file with the Owner, as of the date of this Certificate the following number of completed units in the Project: (i) are occupied by Qualifying Tenants (as such term is defined in the Land-Use Restriction Agreement); or (ii) were previously occupied by Lower-Income Tenants and have been vacant and not reoccupied except for a temporary period of no mare than 31 days:

Occupied by Qualifying Tenants****: _____ Number of Units

Previously occupied by Qualifying Tenants
(vacant and not reoccupied except for a
temporary period of no more than 31 days): _____ Number of Units

**** A unit all of the occupants of which are full-time students does not qualify as a unit occupied by Qualifying Tenants, unless one or more of the occupants was entitled to file a joint tax return.

3. The total number of completed units in the Project is ____.

4. The total number in 2 is at least 40 percent of the total number in 3 above.

5. No Event of Default (as defined in the Land-Use Restriction Agreement) has occurred and is subsisting under the Land-Use Restriction Agreement, except as set forth in Schedule A attached hereto.

Homan Square Apartments Phase IV Holder L.P.,
an Illinois limited partnership

By: Homan Square Apartments Phase IV LLC,
an Illinois limited liability company,
its general partner

By: Homan Phase IV Manager, LLC,
an Illinois limited liability company,
its manager

By: Foundation for Homan Square,
an Illinois not-for-profit corporation
its manager

By: _____

Name: _____

Title: _____

Exhibit "E".
(To Ordinance)

Homan Square Apartments Phase IV Holder Redevelopment Agreement.

This Homan Square Apartments Phase IV Holder Redevelopment Agreement (this "Agreement") is made as of this [____] day of [_____, 20_], by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Homan Square Apartments Phase IV Holder, LP, an Illinois limited partnership (the "Owner") and Foundation for Homan Square, an Illinois not-for-profit corporation ("FHS"). The Owner and FHS may collectively be referred to hereinafter as the "Developer" or individually as a "Developer Party".

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act and in accordance with the provisions of the Act, the City Council of the City (the "City Council"): (i) approved and adopted a redevelopment plan and project (the "Redevelopment Plan") for the Homan-Arthington redevelopment project area (the "Redevelopment Area"); (ii) designated the Redevelopment Area as a "redevelopment project area"; and (iii) adopted tax increment allocation financing for the Redevelopment Area, pursuant to ordinances (item (iii), the "TIF Adoption Ordinance" and items (i) – (iii) collectively, the "TIF Ordinances") adopted on February 5, 1998 and subsequently amended on November 19, 2014, April 24, 2020, and November 16, 2022, and published in the Journal of the Proceedings of the City Council (the "Journal") for such dates.

D. The Project: Owner intents to acquire certain property located within the Redevelopment Area at 3607, 3621, and 3645 West Polk Street, 906 and 908 South Central Park Avenue, and 921 South Lawndale Avenue in Chicago, Illinois and legally described on Exhibit A (the "Property"), and, within the time frames set forth in Section 3.01, shall start and complete a 133,050 square foot residential development consisting of the rehabilitation of six residential buildings and the units therein (the "Facility"). The "Project" means the Facility and related improvements, including but not limited to the TIF-Funded Improvements defined below and set forth on Exhibit B. 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 Redevelopment Plan.

F. Transfer Rights: Pursuant to 65 ILCS 5/11-74.4-4(q) of the Act, the City may use Midwest Incremental Taxes (as defined below) from the Midwest TIF Fund (as defined below) to pay for eligible redevelopment project costs incurred in the Redevelopment Area because the Midwest Redevelopment Area is either contiguous to, or is separated only by a public right of way from, the Redevelopment Area (the "Transfer Rights"). To the extent required by the City to pay its City Funds (as defined below) obligation to Developer under this Agreement from time to time, the City, as more particularly hereinafter provided, shall exercise its Transfer Rights pursuant to the Act and transfer Midwest Incremental Taxes from the Midwest Redevelopment Area into the TIF Fund (as defined below).

G. City Financing: The City agrees to use, in the amounts set forth in Section 4.03, Incremental Taxes (as defined below), to pay for or reimburse 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 in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement agree as follows:

SECTION 1. RECITALS, HEADINGS AND EXHIBITS

The foregoing recitals are hereby incorporated into this Agreement by reference. The paragraph and section headings contained in this Agreement, including without limitation those set forth in the following table of contents, are for convenience only and are not intended to limit, vary, define, or expand the content thereof. Developer agrees to comply with the requirements set forth in the following exhibits which are attached to and made a part of this Agreement. All provisions listed in the Exhibits have the same force and effect as if they had been listed in the body of this Agreement.

Table of Contents	List of Exhibits
1. Recitals, Headings and Exhibits 2. Definitions 3. The Project 4. Financing 5. Conditions Precedent 6. Agreements with Contractors 7. Completion of Construction or Rehabilitation 8. Covenants/Representations/Warranties of Developer 9. Covenants/Representations/Warranties of the City 10. Developer's Employment Obligations 11. Environmental Matters 12. Insurance 13. Indemnification 14. Maintaining Records/Right to Inspect 15. Defaults and Remedies 16. Mortgaging of the Project 17. Notice 18. Miscellaneous	A *Legal Description of the Property B *Project Budgets (Project Budget, MBE/WBE Budget and TIF-Funded Improvements) C Prior Expenditures (An asterisk (*) indicates which exhibits are to be recorded.)

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, and unless otherwise specified, references to Recitals, Sections, Articles and Exhibits are references to Recitals, Sections, Articles and Exhibits of this Agreement:

"Act" is defined in the Recitals.

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

"Affordable Housing Units" shall mean the housing units to be occupied by Low-Income, Very Low-Income and Extremely Low-Income Families financed with City Funds and required to comply with the terms of this Agreement.

"Annual Compliance Report" means a signed report from Owner to the City (a) itemizing each of Developer's obligations under this Agreement during the preceding calendar year, (b) certifying Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that Developer is not in default with respect to any provision of this Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Affordable Housing Covenant (Section 8.26); (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (5) delivery of evidence of compliance with the Sustainable

Development Policy (Section 8.22); (6) compliance with the Increment and Rate of Return Reporting (Section 8.25); and (7) compliance with all other executory provisions of this Agreement.

"ATS Manual" means the 2023 version of the Architectural and Technical Standards Manual (ATS Manual) issued by DOH.

"Available Project Funds" means: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by Developer pursuant to this Agreement.

"Certificate" means the Certificate of Completion of Construction or Rehabilitation described in Section 7.01.

"Change Order" means 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 Contract" is defined in Section 8.01(l).

"City Council" is defined in the Recitals.

"City Funds" is defined in Section 4.03(b).

"Closing Date" means the date of execution and delivery of this Agreement by all parties to this Agreement, which shall be deemed to be the date appearing in the first paragraph of this Agreement, and shall not be later than 180 days following the date of City Council's approval of the Project Ordinance or such other date acceptable to the City's Commissioner of Housing, in their sole discretion.

"Collateral Assignment" shall mean a collateral assignment of the Owner's and FHS's respective interests in this Agreement, such collateral assignment to be made by Owner and/or FHS to secure Lender Financing, in form and substance acceptable to the City in its sole discretion; provided, such collateral assignment cannot be exercised until the lender provides the certification required by Section 18.14 and the assignee assumes all of the obligations of the Owner and FHS under this Agreement.

"Commissioner" means the Commissioner of Planning and Development of the City.

"Contaminant" means any of those materials set forth in 415 ILCS 5/3.165, as amended from time to time, that are subject to regulation under any Environmental Law.

"Construction Contract" means the construction contract to be entered into between Owner and the General Contractor providing for construction of the Project.

"Corporation Counsel" means the City's Department of Law.

"Davis-Bacon Act" means the Davis-Bacon Act, as amended (40 U.S.C. Section 3141 et seq.).

"DOH" means the City's Department of Housing.

"EDS" means the City's Economic Disclosure Statement and Affidavit, on the City's then-current form, whether submitted in paper or via the City's online submission process.

"Employer(s)" is defined in Section 10.

"Environmental Laws" means any federal, state, or local law, statute, ordinance, code, rule, permit, plan, regulation, license, authorization, order, or injunction which pertains to health, safety, any Hazardous Substance or Other Regulated Material, or the environment (including, but not limited to, ground, air, water or noise pollution or contamination, and underground or above-ground tanks) and shall include, without limitation, the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. § 11001 et seq.; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq.; the Hazardous Material Transportation Act, 49 U.S.C. § 1801 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments of 1984; the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601 et seq., as amended by the Superfund Amendments and Reauthorization Act of 1986; the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq.; the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq.; the Gasoline Storage Act, 430 ILCS 15/0.01 et seq.; the Sewage and Waste Control Ordinance of the Metropolitan Water Reclamation District of Greater Chicago; the Municipal Code of the City of Chicago; and any other local, state, or federal environmental statutes, and all rules, regulations, orders, and decrees now or hereafter promulgated under any of the foregoing, as any of the foregoing now exist or may be changed or amended or come into effect in the future.

"Equity" means Developer's funds (other than funds derived from Lender Financing), including tax credit equity from the Limited Partner, irrevocably available for the Project, in the amount set forth in Section 4.01, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

"Escrow" means the construction escrow established pursuant to the Escrow Agreement.

"Escrow Agreement" means the Escrow Agreement establishing a construction escrow, to be entered into as of the date of this Agreement by the City, if applicable, the Title Company (or an affiliate of the Title Company), Developer and Owner's lender(s), in a form acceptable to the City.

"Event of Default" is defined in Section 15.

"Existing Mortgage" is defined in Section 16.

"Extremely Low-Income Families" shall mean Families whose annual income does not exceed thirty percent (30%) of the Chicago-area median income (AMI), adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

"Facility" is defined in the Recitals.

"Family" means one or more individuals, whether or not related by blood or marriage.

"Final Comprehensive Residential NFR Letter" shall mean a final comprehensive residential "No Further Remediation" letter issued by the IEPA approving the use of the Property for the construction, development and operation of the Project in accordance with the site plan approved by the City and the terms and conditions of the SRP Documents, as amended or supplemented from time to time. The Final Comprehensive Residential NFR Letter shall state that the Property meets remediation objectives for residential properties and the construction worker exposure route as set forth in 35 Ill. Adm. Code Part 742, but may be reasonably conditioned upon use and maintenance of engineered barriers and other institutional or engineering controls acceptable to the IEPA.

"Financial Interest" is defined in Section 2-156-010 of the Municipal Code.

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

"Full-Time Equivalent Employee" or "FTE" shall mean an employee of Developer or an Affiliate (or, with respect to job shares or similar work arrangements, two such employees counted collectively as a single FTE) who is employed in a permanent position at least 35 hours per week at the Project during the applicable year, excluding (a) persons engaged as or employed by independent contractors, third party service providers or consultants and (b) persons employed or engaged by Developer or by third parties in positions ancillary to Developer's operations at the Project including, without limitation, food service workers, security guards, cleaning personnel, or similar positions.

"General Contractor" means the general contractor(s) hired by Owner pursuant to Section 6.01.

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

"Hazardous Substance" has the meaning set forth in 415 ILCS 5/3.215, as amended from time to time.

"Human Rights Ordinance" is defined in Section 10.

"IEPA" shall mean the Illinois Environmental Protection Agency.

"In Balance" is defined in Section 4.07.

"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 into the TIF Fund established to pay

Redevelopment Project Costs and obligations incurred in the payment thereof, as adjusted to reflect the amount of the TIF District Administration Fee.

"Indemnitee" and "Indemnitees" are defined in Section 13.01.

"Junior Mortgage" shall mean a Junior Mortgage executed by the Owner as mortgagor, in favor of the City, as mortgagee, securing certain of the Owner's obligations under this Agreement and the Junior Mortgage; and which shall recorded against the Property on or before the date of this Agreement.

"Lender Financing" means funds borrowed by Owner from lenders, including the Senior Permanent Loan, which are irrevocably available to pay for costs of the Project in the amount set forth in Section 4.01.

"Limited Partner" means Red Stone Equity Holding, LLC, a Delaware limited liability company and its successors and assigns, or another entity acceptable to the City, in its sole discretion.

"Losses" means any and all debts, liens, claims, causes of action, demands, complaints, legal or administrative proceedings, losses, damages, obligations, liabilities, judgments, amounts paid in settlement, arbitration or mediation awards, interest, fines, penalties, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees and expenses, consultants' fees and expenses and court costs), and shall include without limitation (a) the cost of any investigation, removal, remedial or other response action that is required by any Environmental Law, that is required by judicial order or by order of or agreement with any governmental authority, or that is necessary or otherwise is reasonable under the circumstances, and (b) costs imposed under any Environmental Law enacted after the Closing Date.

"Low-Income Families" means Families whose annual income does not exceed eighty percent (80%) of the Chicago-area median income (AMI), adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

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

"MBE/WBE Budget" means the MBE/WBE Budget attached as Exhibit B, as described in Section 10.03.

"MBE/WBE Program" is defined in Section 10.03.

"Midwest Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the Midwest 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 into the Midwest TIF Fund,

as adjusted to reflect the amount of the Midwest TIF District Administration Fee (as defined below).

"Midwest Redevelopment Area" is defined in the Recitals.

"Midwest TIF District Administration Fee" is defined in Section 4.

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

"Midwest TIF Adoption Ordinance" is defined in the Recitals.

"Municipal Code" means the Municipal Code of the City of Chicago, as amended from time to time.

"New Mortgage" is defined in Section 16.

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

"Other Regulated Material" means any Waste, Contaminant, material meeting 35 IAC Part 742.305, or any other material, not otherwise specifically listed or designated as a Hazardous Substance, that (a) is or contains: petroleum, including crude oil or any fraction thereof, motor fuel, jet fuel, natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel or mixtures of natural gas and such synthetic gas, asbestos, radon, any polychlorinated biphenyl, urea, formaldehyde foam insulation, explosive or radioactive material, or (b) is a hazard to the environment or to the health or safety of persons.

"Permitted Liens" means (i) mortgages against the Property and/or the Project recorded on or before the date of this Agreement and securing the Lender Financing or the Swap, (ii) the mortgages securing any Permitted Refinancing, (iii) leases of portions of the Property entered into after the date hereof in Developer's ordinary course of business, if any, and (iv) those matters set forth as Schedule B title exceptions in the Title Policy, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

"Permitted Refinancing" means the refinancing of the Senior Loan with a loan satisfying the following requirements: (i) the principal amount does not exceed the principal amount of the Senior Loan at the time of refinancing, (ii) the interest rate does not exceed the market rate of interest for comparable loans at the time of such refinancing, and (iii) the projected debt service coverage ratio does not exceed the existing debt service coverage ratio required (if any) to close the existing Senior Loan.

"Permitted Mortgage" is defined in Section 16.

"Phase I ESA" shall mean a Phase I environmental site assessment of the Property in accordance with ASTM E-1527-21 (as most recently updated at the time of assessment).

"Phase II ESA" shall mean a Phase II environmental site assessment of the Property in accordance with ASTM E-1903-19 (as most recently updated at the time of assessment).

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

"Prior Expenditures" is defined in Section 4.05(a).

"Project" is defined in the Recitals.

"Project Budget" means the Project Budget attached as Exhibit B, showing the total cost of the Project by line item, furnished by Developer to DPD, in accordance with Section 3.03.

"Project Ordinance" means the ordinance adopted by City Council on [_____] and published in the Journal for such date at pages [_____].

"Property" is defined in the Recitals.

"RAP" shall mean the Remedial Action Plan document required by the IEPA in order to receive a Final Comprehensive Residential NFR Letter.

"RAP Approval Letter" shall mean written approval from the IEPA of a RAP.

"Redevelopment Area" is defined in the Recitals.

"Redevelopment Plan" is defined in the Recitals.

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

"Regulatory Agreement" means each regulatory agreement, if any, describing Developer's obligation to provide affordable housing at the Facility, executed by Developer and the City as of the date hereof.

"Remediation Work" means all investigation, sampling, monitoring, testing, reporting, removal, response, disposal, storage, remediation, treatment and other activities taken to obtain a Final Comprehensive Residential NFR Letter for the Property in accordance with the terms and conditions of the RAP Approval Letter for the Property issued by the IEPA, the SRP Documents (as defined below), all requirements of the IEPA, and all applicable federal, state, and local laws, ordinances, and regulations, including, without limitation, all applicable Environmental Laws.

"Requisition Form" means the document, in the form to be provided by the City, to be delivered by Developer to DPD pursuant to Section 4.04.

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

"Senior Lender" means the Senior Construction Lender, and its successors and assigns, and following the closing of the Senior Permanent Loan, the Senior Permanent Lender, and its successors and assigns.

"Senior Construction Lender" means BMO Bank N.A., a national banking association.

"Senior Construction Loan" means the loan in the principal amount of $19,000,000, made by the City to the Owner using proceeds of a tax exempt funding loan made by the Senior Construction Lender to the City, and secured by a mortgage encumbering the Property, made by the Owner to the City and assigned by the City to the Senior Construction Lender.

"Senior Loan" means initially, the Senior Construction Loan, and upon the closing of the Senior Permanent Loan, the Senior Permanent Loan.

"Senior Permanent Lender" means Cedar Rapids Bank and Trust Company, an Iowa state-chartered banking corporation.

"Senior Permanent Loan" means the loan or loans in the aggregate principal amount of $[6,000,000] to be made by the Senior Permanent Lender to the Owner to refinance the Senior Construction Loan and secured by a mortgage encumbering the Property.

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

"SRP Documents" means all documents submitted to the IEPA under the SRP, as amended or supplemented from time to time, including, without limitation, the Comprehensive Site Investigation and Remediation Objectives Report, the Remedial Action Plan, and the Remedial Action Completion Report and any and all related correspondence, data and other information prepared by either party pursuant to Section 11.

"Subordination Agreement" means that certain Subordination Agreement dated as of the Closing Date and executed between the City and the Senior Lender.

"Survey" means a plat of survey in the most recently revised form of ALTA/NSPS land title survey of the Property, meeting the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, effective February 23, 2021, dated within 75 days before the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

"Sustainable Development Policy" shall mean the Sustainable Development Policy of the City as in effect on the Closing Date.

"Swap" means, individually or collectively, as applicable, the Swap (Construction Financing) and Swap (Permanent Financing).

"Swap (Construction Financing)" means an interest rate swap transaction entered into at the Closing Date by and between the Owner and a rate management agent, with respect to the Senior Construction Loan for the Project.

"Swap (Permanent Financing)" means an interest rate swap transaction entered into at the Closing Date by and between the Owner and Cedar Rapids Bank and Trust Company, with respect to permanent financing for the Project.

"Term of the Agreement" means the period of time starting on the Closing Date and ending on the thirtieth anniversary of the issuance of the Certificate.

"TIF Adoption Ordinance" is defined in the Recitals.

"TIF District Administration Fee" means the fee described in Section 4.05(b).

"TIF Fund" means the special tax allocation fund created by the City in connection with the Redevelopment Area into which (i) the Incremental Taxes will be deposited and (ii) any Midwest Incremental Taxes may be deposited if the City exercises its Transfer Rights.

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

"TIF Ordinances" is defined in the Recitals.

"Title Company" means Title Services Midwest, LLC.

"Title Policy" means a title insurance policy in the most recently revised ALTA or equivalent form, showing fee simple title in the Owner and naming the City as the insured mortgagee in the full amount of the City Funds, noting the recording of this Agreement, Junior Mortgage, and Regulatory Agreement as an encumbrance against the Property, and a subordination agreement in a form acceptable to the City 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.

"Transfer Rights" is defined in the Recitals

"Very Low-Income Families" shall mean Families whose annual income does not exceed fifty percent (50%) of the Chicago-area median income (AMI), adjusted for Family size, as such annual income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development, and thereafter such income limits shall apply to this definition.

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

"Waste" means those materials defined in the Illinois Environmental Protection Act, 415 ILCS 5/1 et seq. as waste and identified subcategories thereof, including but not limited to, construction or demolition debris, garbage, household waste, industrial process waste, landfill

waste, landscape waste, municipal waste, pollution control waste, potentially infectious medical waste, refuse, or special waste.

"WBE(s)" means a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, Owner shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17: (i) start construction no later than 180 days after the Closing Date; and (ii) complete construction and conduct business operations in the Facility no later than 30 months after the Closing Date.

3.02 Scope Drawings and Plans and Specifications. If requested by DPD, Developer shall submit to DPD the Scope Drawings and Plans and Specifications, and DPD reserves the right to review and approve these documents. If requested by DPD, Developer shall submit to DPD subsequent proposed changes to the Scope Drawings or Plans and Specifications as a Change Order pursuant to Section 3.04. The Scope Drawings and Plans and Specifications shall always conform to the Redevelopment Plan and all applicable federal, state, and local laws, ordinances and regulations. Owner 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. Owner has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than $32,286,475. Owner hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Section 4.01, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct, and complete in all material respects. Owner shall promptly deliver to DPD certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD concurrently with the progress reports described in Section 3.07; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Project by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of the Project to a use other than as described in Recital D; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget for the Project of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith before Developer receives DPD's written approval (to the extent City prior approval is required pursuant to the terms of this Agreement). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has agreed to provide under this Agreement or provide any other additional assistance to Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those set forth above do not require DPD's prior written approval as

set forth in this Section 3.04, but within 10 business days after executing such a Change Order, Developer shall notify DPD in writing of such Change Order and the source of funding therefor.

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, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals). Owner shall not start construction of the Project until Owner has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required under this Agreement.

3.07 Progress Reports and Survey Updates. If requested by DPD, Owner shall provide DPD with written progress reports detailing the status of the Project, including a revised completion date, if necessary (with any delay in completion date being considered a Change Order, requiring DPD's written approval pursuant to Section 3.04). Written progress reports must be submitted to DPD electronically to the website and/or email specified by the City. Owner shall provide an updated Survey to DPD if requested by 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 Owner's architect) shall be selected to act as the inspecting agent or architect, at Owner's expense, for the Project, and DPD reserves the right to evaluate and approve the inspecting agent or architect. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect to these inspections to DPD, before Owner requests disbursement for costs related to the Project under this Agreement or the Escrow Agreement, if any. If approved by the City, the inspecting agent or architect may be the same one being used in such role by a lender providing Lender Financing, provided that such agent or architect (a) is not also Developer's agent or architect and (b) acknowledges in writing to the City that the City may rely on the findings of such agent or architect.

3.09 Barricades. Before starting any construction requiring barricades, Owner 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. Owner shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. This sign may also name other financing sources for the Project. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

3.11 Utility Connections. Owner 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 Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related to such connections.

3.12 Permit Fees. In connection with the Project, Owner shall be obligated to pay, or cause to be paid, 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. In connection with the Project, the Owner shall cause the General Contractor to pay for the fire protection permit.

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The estimated total cost of the Project is shown below, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity	
Tax Credit Equity	$[11,798,480]
Deferred Developer Fee	$[404,513]
General Partner Equity*	$[685,804]
Lender Financing**	
Senior Permanent Loan	$[6,000,000]
Existing Loans	$[3,417,900]
City TIF (subject to Section 4.03)	$9,979,778***
Estimated Total	$[32,286,475]

*Subject to Sections 4.03(b) and 4.06
**The proceeds of the Senior Construction Loan shall be deemed part of the Lender Financing for purposes of bridging deferred Equity contributions and installments of City Funds until conversion to the Senior Permanent Loan.
***City TIF maximum amount is $10,000,000.

The payment of City Funds, including the timing of payment, is subject to the terms and conditions of this Agreement, including but not limited to Section 4.03 and Section 5.

4.02 Developer Funds. Equity and/or Lender Financing shall be used to pay all Project costs, including but not limited to Redevelopment Project costs and costs of TIF-Funded Improvements.

4.03 City Funds.

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

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse Developer for the costs of the TIF-Funded Improvements:

Source of City Funds	Total Maximum Amount
Incremental Taxes and/or Midwest Incremental Taxes	$10,000,000

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed $10,000,000; and provided further, that the City Funds shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Incremental Taxes and Midwest Incremental Taxes deposited into the TIF Fund shall be sufficient to pay for such costs; and Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements up to a maximum of $10,000,000 is contingent upon the fulfillment of the condition set forth above. If such condition is not fulfilled, the amount of Equity to be contributed by the general partner of Owner pursuant to Section 4.01 shall increase proportionately.

(c) Disbursement of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03, the City shall disburse the City Funds in four (4) payments as follows:

(i) $[2,993,933] upon the completion of 30% of construction of the Project based upon the amount of actual Project costs incurred in relation to the Project Budget as certified to the City in a Requisition Form with required supporting documentation submitted to DPD;

(ii) $[2,993,933] upon the completion of 60% of construction of the Project based upon the amount of actual Project costs incurred in relation to the Project Budget as certified to the City in a Requisition Form with required supporting documentation submitted to DPD;

(iii) $[2,993,933] upon the completion of 90% of construction of the Project based upon the amount of actual Project costs incurred in relation to the Project Budget as certified to the City in a Requisition Form with required supporting documentation submitted to DPD; and

(iv) $[997,979] upon issuance of Certificate.

FHS, as one of the recipients of the City Funds, and Owner, as the potential borrower and/or recipient of such City Funds that FHS receives, hereby direct and agree that the City shall disburse any amounts to be paid by the City pursuant to Section 4.03(c)(iii) and (iv) to FHS directly to a subaccount established pursuant to the Escrow Agreement for the partial repayment of the Senior Construction Loan. Notwithstanding the foregoing, the disbursement of City Funds pursuant to Section 4.03(c)(iv) may be remitted directly to Senior Construction Lender upon receipt by the City of a letter of direction to that effect from the Developer Parties.

(d) Transfer Rights. The City may use its Transfer Rights to transfer an amount not to exceed $10,000,000 of Midwest Incremental Taxes into the TIF Fund.

4.04 Requisition Form. Developer Parties shall provide DPD with a Requisition Form for reimbursement of TIF-Funded Improvements, along with the documentation described in the Requisition Form. On each December 1 (or such other date as the parties may agree), beginning after the Certificate is issued and continuing throughout the Term of the Agreement, Developer shall meet with DPD at the request of DPD to discuss any Requisition Form previously delivered.

The Developer hereby appoints the Owner as the agent for all the Developer Parties for the purpose of executing Requisition Forms and other certifications required to be delivered to the City pursuant to this Agreement and providing support documentation in connection with requests for disbursement of City Funds hereunder.

The City and Developer Parties acknowledge that the proceeds of the Senior Construction Loan referenced in Section 4.01 will be used to bridge certain installments of the City Funds and that certain installments of the City Funds will be applied to the partial repayment of the Senior Construction Loan.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Effect of Prior Expenditures on Equity or Lender Financing demonstrated before the Closing Date. If Developer incurs and pays Project expenses before the Closing Date and wants these expenses to reduce the amount of Equity or Lender Financing Developer is required to demonstrate before the Closing Date, then Developer shall provide documentation of these expenses satisfactory to DPD. Any such expenses reviewed and approved in writing by DPD, in its sole discretion, shall be referred to as "Prior Expenditures". Prior Expenditures made for TIF-Funded Improvements may be reimbursed to Developer under the terms of this Agreement. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to Developer but shall reduce the amount of Equity and/or Lender Financing Developer is required to contribute under Section 4.01. Prior Expenditures, if applicable, shall be listed on Exhibit C.

(b) TIF District Administration Fee. Annually, the City may allocate from the TIF Fund an amount (the "TIF District Administration Fee") not to exceed five percent (5%) of the Incremental Taxes to pay costs the City incurred to administer and monitor the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds before any City Funds are paid under this Agreement.

Annually, the City may allocate from the Midwest TIF Fund an amount (the "Midwest TIF District Administration Fee") not to exceed five percent (5%) of the Midwest Incremental Taxes to pay costs the City incurred to administer and monitor the Midwest Redevelopment Area. Such

fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds before any City Funds are paid under this Agreement.

(c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of DPD, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed $25,000 or $100,000 in the aggregate, may be made without the prior written consent of DPD.

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

4.07 Preconditions of Disbursement. Before each disbursement of City Funds, Developer shall submit a Requisition Form and documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion. Developer's delivery of any request for disbursement of City Funds shall, in addition to the items expressly set forth in such request, constitute Developer's certification to the City, as of the date of such request for disbursement, that:

(a) the total amount of the disbursement request represents the actual cost of the acquisition of the Property or the actual amount payable to (or 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) 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 Agreement are true and correct and Developer is in compliance with all covenants contained in this Agreement;

(e) 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;

(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. Developer hereby agrees that, if the Project is not In Balance, Developer shall, within 10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance, which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

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

SECTION 5. CONDITIONS PRECEDENT

Developer has complied with the following conditions to the City's satisfaction on or before the Closing Date:

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

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

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

5.04 Financing. Owner has furnished proof reasonably acceptable to the City that Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If such funds include Lender Financing, Developer has furnished proof as of the Closing Date that the proceeds of the Lender Financing (a) are available for Developer to draw upon as needed and (b) are sufficient, along with the Equity and/or other sources set forth in Section 4.01, to complete the Project. If the City is not a party to the Escrow Agreement, then Developer has delivered to DPD a copy of the Escrow Agreement. Any liens against the Property existing at the Closing Date have been subordinated to certain encumbrances of the City set forth in this Agreement pursuant to a subordination agreement, in a form acceptable to the City, executed on or before the Closing Date, which is to be recorded, at Owner's expense, with the Cook County Clerk's Office.

5.05 Acquisition and Title. On the Closing Date, Developer has furnished the City with a copy of the Title Policy for the Property. The Title Policy is dated as of the Closing Date and contains only those title exceptions that are Permitted Liens and evidences the recording of this Agreement, the Junior Mortgage and the Regulatory Agreement pursuant to the provisions of Section 8.18. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's ALTA 9 series endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access, and

survey. Developer has provided to DPD, on or before 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 to the Title Policy.

5.06 Evidence of Clean Title. Developer, at its own expense, has provided the City with searches as indicated in the chart below under Developer's name and Developer's trade names showing no liens against Developer, the Property or any fixtures now or hereafter affixed to the Property, except for the Permitted Liens:

Jurisdiction	**Searches**
Secretary of State	UCC, Federal tax
Cook County Clerk's Office	UCC, Fixtures, Federal tax, State tax, Memoranda of judgments
U.S. District Court, Northern District - Illinois	Pending suits and judgments, bankruptcy
Clerk of Circuit Court, Cook County	Pending suits and judgments

5.07 Surveys. Owner has furnished the City with a copy of the Survey.

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

5.09 Opinion of Developer's Counsel. On the Closing Date, Developer has furnished the City with an opinion of counsel in form and substance acceptable to Corporation Counsel. If Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions required by the Corporation Counsel, such opinions must be obtained by Developer from its general corporate counsel or such other counsel acceptable to the Corporation Counsel.

5.10 Evidence of Prior Expenditures. Developer has provided evidence satisfactory to DPD in its sole discretion of the Prior Expenditures, if any, in accordance with the provisions of Section 4.05(a).

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

5.12 [Intentionally Omitted].

5.13 Environmental. Developer has provided DPD with copies of that certain Phase I Environmental Site Assessment completed with respect to the Property and any Phase II Environmental Site Assessment with respect to the Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents; Economic Disclosure Statement. Developer has provided a copy of its articles or certificate of incorporation or organization containing the original certification of the Secretary of State; certificates of good standing from the Secretary of State of its state of

incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; bylaws or operating agreement; and such other organizational documentation as the City has requested.

Developer has provided to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state, or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference. Notwithstanding acceptance by the City of the EDS, failure of the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Developer and any other parties required by this Section 5.14 to complete an EDS must promptly update their EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate, including changes in ownership and changes in disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, and failure to promptly provide the updated EDS(s) to the City will constitute an event of default under this Agreement.

5.15 Additional Documents. The Developer must have delivered to the City the Junior Mortgage, Regulatory Agreement and such financing statements as the City may require.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) DPD acknowledges that Owner has selected Burling Solis Joint Venture, a joint venture comprised of Burling Builders, Inc., an Illinois corporation, and Solis Construction, Inc., an Illinois corporation, as the General Contractor for the Project. Owner will cause the General Contractor to solicit bids for work on the Project solely from qualified subcontractors eligible to do business with the City of Chicago, and if requested by DPD shall submit all bids received to DPD for its inspection and written approval.

(b) Developer shall submit copies of the Construction Contract to DPD in accordance with Section 6.02 below. Copies 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 after they are signed. 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, if requested by DPD in accordance with Section 3.02, and all requisite permits have been obtained.

6.02 Construction Contract. Before executing the Construction Contract, Developer shall deliver to DPD a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for DPD's prior written approval, which DPD shall grant or deny within ten (10) business days after delivery of the proposed Construction Contract. The Developer shall ensure that its General Contractor adheres to the policies and procedures outlined in the ATS Manual. Within ten (10) business days after the Construction Contract is executed by all parties thereto, Developer shall deliver to DPD and Corporation Counsel a certified copy of such contract together with any modifications, amendments, or supplements thereto.

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

6.04 Employment Opportunity. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and the City resident obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractor to require each subcontractor to satisfy or the failure of any subcontractor to satisfy, such obligation shall not result in a default or a termination of this Agreement or require payment of the City resident hiring shortfall amounts so long as such Section 10 obligations are satisfied on an aggregate basis.

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records). Copies 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 OR REHABILITATION

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

Developer acknowledges and understands that the City will not issue the Certificate and pay out the last installment of City Funds in connection with the Project, until the following conditions have been met:

(a) Evidence that Developer has incurred TIF-eligible expenses in an amount equal to, or greater than, the total amount of City Funds for the Project; and

(b) Receipt of a certificate of occupancy for the Project or other evidence acceptable to DPD that Developer has complied with building permit requirements for the Project; and

(c) The Facility is open for operation and in the process of being marketed for lease to tenants in accordance with the affordability provisions described in Section 8.26; and
(d) Evidence acceptable to DPD in the form of a closeout letter from DPD's Compliance and Monitoring division stating that Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage); and
(e) Evidence acceptable to DPD that the Project has complied with the Sustainable Development Policy; and
(f) There exists neither an Event of Default which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction and/or rehabilitation of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. After the Certificate is issued, however, all executory terms and conditions of this Agreement and all representations and covenants contained in this Agreement 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 Section 8.02 (Covenant to Redevelop), Section 8.19 (Real Estate Provisions), Section 8.20 (Annual Compliance Report), Section 8.26 (Affordable Housing Covenant), and Section 14.02 (Inspection Rights) as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that when the Certificate is issued, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property from and after the date of this Agreement shall be made explicitly subject to the covenants listed above that run with the land.

The other executory terms of this Agreement that remain after the Certificate is issued shall be binding only upon Developer or a permitted assignee of Developer who, pursuant to Section 18.14 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities under this Agreement.

7.03 Failure to Complete. If Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. If the aggregate cost of completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.03, either FHS

or the Owner must reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds from Developer in accordance with Section 15.02.

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

SECTION 8. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER.

8.01 General. The representations and warranties provided by each Developer Party under this Agreement are material conditions precedent to the City's obligations under this Agreement. Each Developer Party, as applicable, represents, warrants, and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder and throughout the Term of the Agreement, that:

(a) each Developer Party is a not-for-profit corporation, limited partnership or limited liability company, as applicable, duly incorporated or organized, validly existing, qualified to do business in its state of incorporation or organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;

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

(c) the execution, delivery and performance by each Developer Party of this Agreement has been duly authorized by all necessary action, and does not and will not violate each of its respective certificate or articles of incorporation or organization, bylaws, limited partnership agreement or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which any Developer Party is now a party or by which any Developer Party is now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, Owner shall acquire and shall maintain good, indefeasible, and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, mortgages securing any Lender Financing, Permitted Mortgages, mortgages securing any Permitted Refinancing, and non-governmental charges that Developer is contesting in good faith pursuant to Section 8.15);

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

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

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

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

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

(j) prior to the issuance of the Certificate, Developer shall not do any of the following without the prior written consent of DPD: (1) become 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 to the Property) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity (except as required in connection with Lender Financing, the Swap, any Permitted Refinancing or tax credit equity investment for the Project); or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition;

(k) Owner has not incurred, and, before the Certificate is issued, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached to the Property, except Lender Financing disclosed in the Project Budget, the Swap, and any Permitted Refinancing; and

(l) None of the Developer Parties have made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code;

(m) None of the Developer Parties nor any affiliate of the Developer Parties is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or

entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

(n) Each Developer Party understands that (i) the City Funds are limited obligations of the City, payable solely from moneys on deposit in the account of the TIF Fund designated for the Project; (ii) the City Funds do not constitute indebtedness of the City within the meaning of any constitutional or statutory provision or limitation; (iii) Developer will have no right to compel the exercise of any taxing power of the City for payment of the City Funds; and (iv) the City Funds do not and will not represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of Illinois or any political subdivision thereof;

(o) Each Developer Party has sufficient knowledge and experience in financial and business matters, including municipal projects and revenues of the kind represented by the City Funds, and has been supplied with access to information to be able to evaluate the risks associated with the receipt of City Funds;

(p) Developer understands if the conditions described in Section 4.03(b) are not satisfied, the amount of City Funds actually received by any Developer Party may be less than the maximum amounts set forth in Section 4.03(b);

(q) Developer understands that, except for the Collateral Assignment, it may not sell, assign, pledge or otherwise transfer its interest in this Agreement or City Funds in whole or in part except in accordance with the terms of Section 18.14 (Assignment), and, to the fullest extent permitted by law, agrees to indemnify the City for any losses, claims, damages or expenses relating to or based upon any sale, assignment, pledge or transfer of City Funds in violation of this Agreement; and

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, and Developer's receipt of all required building permits and governmental approvals, Developer shall redevelop the Property in accordance with this Agreement and all its Exhibits, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments to such documents, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee but shall be deemed satisfied when the City issues the Certificate.

8.03 Redevelopment Plan. Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan, which is hereby incorporated by reference into this Agreement.

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

8.05 Other Bonds. Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment for, the TIF-Funded Improvements; provided, however, that any such

amendments shall not have a material adverse effect on Developer or the Project. Developer shall, at Developer's expense, cooperate and provide reasonable assistance in connection with the marketing of any such bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect to such bonds.

8.06 Jobs Creation. Owner anticipates that the Project will result in the creation of 30 FTE temporary construction jobs. Notwithstanding any other provision in this Agreement to the contrary, the failure to create the specified number of jobs shall not constitute an Event of Default.

8.07 Employment Opportunity; Progress Reports. 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. Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03. Such reports shall be delivered to the City when the Project is 30%, 60%, 90% and 100% completed (based on the amount of Project costs incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, Owner shall also deliver a plan to DPD which shall outline, to DPD's satisfaction, how Owner shall correct any shortfall.

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

8.09 Prevailing Wage. 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, Developer shall provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.09. Notwithstanding the foregoing, if the Project is subject to the requirements of the Davis-Bacon Act, then (x) pursuant to 820 ILCS 130/11, Section 11 of the Illinois Prevailing Wage Act (820 ILCS 130/0/01 et seq.), the prevailing wage requirements ascertained by the Department shall not apply to the Project, and (y) Developer shall comply with the Davis-Bacon Act with respect to the Project.

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

8.11 Conflict of Interest. Pursuant to Section 5/11-74.4-4(n) of the Act, 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 Developer with respect thereto, owns or controls, has owned or controlled or will own or control

any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's most recent fiscal year and each fiscal year thereafter for the Term of the Agreement. In addition, 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.

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

8.15 Non-Governmental Charges. (a) Payment of Non-Governmental Charges. Except for the Permitted Liens, and subject to subsection (b) below, 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, 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. 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. Developer has the right, before any delinquency occurs:

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

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

8.16 Developer's Liabilities. Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations under this Agreement or to repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer shall immediately notify DPD of any and all events or actions which may

materially affect Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

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

8.18 Recording and Filing. Owner shall cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements to this Agreement, the Junior Mortgage, and Regulatory Agreement to be recorded and filed, at Owner's expense, against the Property on the date hereof in the Cook County Clerk's Office. Either this Agreement shall be recorded prior to any mortgage made in connection with Lender Financing or, if this Agreement is not recorded first, a subordination agreement must be prepared, executed and recorded against the Property. Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

(a) Governmental Charges.

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

(ii) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying, or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

(1) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by 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 before the final determination of such proceedings; and/or

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

(b) Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, then Developer shall advise DPD in writing. At that time DPD in its sole discretion may, but shall not be obligated to, make all or any part of such payment or obtain such discharge and take any other related action which DPD deems advisable. By taking any action under this paragraph, DPD shall not waive or release any obligation or liability of Developer under this Agreement. Developer shall promptly reimburse DPD for all sums, if any, DPD pays under this paragraph and expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto. Notwithstanding anything contained in this paragraph to the contrary, this paragraph shall not be construed to obligate the City to pay any Governmental Charge. If Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

(c) Real Estate Taxes. Neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer shall, during the Term of the Agreement, without the consent of the City, directly or indirectly, initiate, seek or apply for any real estate tax incentive established under the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time; provided, however, the Developer may apply for tax incentives and tax abatement under the Cook County Affordable Housing Special Assessment Program.

(d) Notification to the Cook County Assessor of Change in Use or Ownership. If required under 35 ILCS 200/15-20 due to a change in use or ownership of the Property, within 90 days after the Closing Date, Developer shall complete a letter of notification, in accordance with 35 ILCS 200/15-20, notifying the Cook County Assessor of such change in use or ownership. After delivery of the notification, Developer shall forward a copy of the return receipt to DPD, with a copy to the City's Corporation Counsel's office.

8.20 Annual Compliance Report. Starting when the Certificate is issued and continuing throughout the Term of the Agreement, Owner shall submit to DPD the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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

8.22 Sustainable Development Policy. Developer shall provide evidence acceptable to the City that they have complied with the Sustainable Development Policy for the Project within one (1) year after the date of the Certificate. If a default occurs under this Section 8.22, the City shall have the right to seek reimbursement of City Funds in the amount of $250,000 in accordance with Section 15.02.

8.23 FOIA and Local Records Act Compliance.

(a) FOIA. Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If Developer receives a request from the City to produce records within the scope of FOIA, then Developer covenants to comply with such request within 48 hours of the date of such request. Failure by Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that Developer submits to the City as part of the Annual Compliance Report or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

8.24 Survival of Covenants. All warranties, representations, covenants and agreements of Developer contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties to this Agreement and, except as provided in Section 7 when the Certificate is issued, shall be in effect throughout the Term of the Agreement.

8.25 Increment and Rate of Return Reporting. As required by 65 ILCS 5/11-74.4-5(d), Developer agrees to report to the City: (a) the amount of Incremental Taxes projected to be created by the Project at the Closing Date; (b) the amount of Incremental Taxes created by the Project through the end of the previous calendar year, using the same assumptions used for the projections described in item (a) above; and (c) the Project's stated rate of return identified by the Developer, which shall be independently verified by a third party chosen by the City.

8.26 Affordable Housing Covenant.

(a) Developer agrees and covenants to the City that:

(i) if a Regulatory Agreement was executed and remains in effect, then Developer shall be obligated to provide affordable housing as described in the Regulatory Agreement;

(ii) if a Regulatory Agreement was executed and was later terminated or released, including without limitation due to foreclosure by a lender providing Lender Financing, then Developer shall be obligated to provide affordable housing as described in Section 8.26(b) from the date the last outstanding Regulatory Agreement is terminated or released through the remaining Term of the Agreement; and

(iii) if no Regulatory Agreement was executed, then Developer shall be obligated to provide affordable housing as described in Section 8.26(b) for the entire Term of the Agreement.

(b) The Facility shall be operated and maintained solely as residential rental housing.

All 107 of the units in the Facility shall be Affordable Housing Units for the entire Term of the Agreement. The rent for such Affordable Housing Units shall not exceed the rent restrictions set forth below. A separate space in the Facility, in addition to the 107 units mentioned herein, will be used as a residential leasing and management office.

Each unit in the Facility shall have monthly rent not in excess of thirty percent (30%) of the maximum allowable income for a Low-Income Family (with the applicable Family size for such units determined in accordance with the rules specified in Section 42(g)(2) of the Internal Revenue Code of 1986, as amended); provided, however, that for any unit occupied by a Family that no longer qualifies as a Low-Income Family due to an increase in such Family's income since the date of its initial occupancy of such unit, the maximum monthly rent for such unit shall not exceed thirty percent (30%) of such Family's monthly income.

The Affordable Housing Units and remaining apartments shall have the following unit configuration, provided, however, Developer shall, with the prior written approval of DOH, have the right to reconfigure the unit mix and distribution of income restriction set forth below:

Affordable at < 30% AMI	**Affordable at 31-50% AMI:**	**Affordable at 51-60% AMI:**	**Total:**
12 units	11 units	84 units	107

(c) The covenants set forth in this Section shall run with the land and be binding upon any transferee.

(d) The City and Developer may enter into a separate agreement to implement the provisions of this Section.

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 under this Agreement.

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 to this Agreement and be in effect throughout the Term of the Agreement.

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. Owner, 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 Owner operating on the Property (collectively, with Owner, the "Employers" and individually an "Employer") to agree, that for the Term of the Agreement with respect to Owner 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.

10.02 City Resident Construction Worker Employment Requirement. Owner agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code (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, Owner, 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.

Owner 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 in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

Owner, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner 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.

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

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

Good faith efforts on the part of Owner, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that Owner has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by Owner to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Owner, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to Owner pursuant to Section 2-92-250 of the Municipal Code may be withheld by the City pending the Chief Procurement Officer's determination as to whether Owner 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.

Owner shall cause or require the provisions of this Section 10.02 to be included in the Construction Contract and subcontracts related to the Project.

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

(a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following

percentages of the MBE/WBE Budget (as set forth in Exhibit B) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 26 percent by MBEs.
(2) At least six percent by WBEs.

(b) For purposes of this Section 10.03 only, Developer (and any party to whom a contract is let by Owner in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by Owner in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code, Owner's MBE/WBE commitment may be achieved in part by Owner's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by Owner) 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 Owner utilizing a MBE or a WBE as the 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 or services 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 Owner's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code, Owner shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of DPD.

(d) Owner shall deliver quarterly reports to the City's monitoring staff 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 Owner 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 the City's monitoring staff in determining Owner's compliance with this MBE/WBE commitment. Owner shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by Owner, on five Business Days' notice, to allow the City to review Owner'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, Owner 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 Sections 2-92-540 and 2-92-730, Municipal Code, as applicable.

(f) Any reduction or waiver of Owner's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code, as applicable.

(g) Before starting the Project, Owner shall be required to meet with the City's monitoring staff with regard to Owner's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, Owner shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, Owner shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that Owner is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to Owner, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to Developer to halt the Project, (2) withhold any further payment of any City Funds to Developer or the General Contractor, or (3) seek any other remedies against Developer available at law or in equity.

SECTION 11. ENVIRONMENTAL MATTERS

Owner hereby represents and warrants to the City that Owner 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 its Exhibits, the Scope Drawings, Plans and Specifications and all amendments thereto and the Redevelopment Plan.

The Developer obtained a Phase I ESA of the Property and a follow-up Phase II ESA. The Phase II ESA did not identify the presence of contamination exceeding residential remediation objectives as set forth in 35 Ill. Adm. Code Part 742. If the Developer encounters underground storage tanks ("USTs") during the development of the Project, the Developer shall remove and close the USTs in accordance with applicable regulations, including 41 Ill. Adm. Code Part 175 or 35 Ill. Adm. Code Part 734 (if the UST is leaking). In addition, if the Developer discovers soil or soil gas not meeting the requirements of 35 Ill. Adm. Code Section 742.305, the Developer shall remove such soil or soil gas. Upon discovering any such environmental conditions, the Developer shall immediately notify the City's Departments of Fleet & Facility Management ("2FM") and shall obtain 2FM's approval of (i) the scope of work of any investigation, remediation or removal activities prior to commencing such work, and (ii) following completion, any reports or other documents demonstrating compliance with all applicable laws, Including Environmental Laws. If required by 2FM, the Developer shall enroll the Property in the SRP and take all necessary and proper steps to obtain a Final Comprehensive Residential NFR Letter approving the use of the Property for the construction, development, and operation of the Project. The Developer shall bear sole responsibility for all investigative and cleanup costs associated with the Property and shall promptly transmit to the City copies of all environmental documents prepared or received with respect to the Property, including, without limitation, any written communications delivered to or received from the IEPA or other regulatory agencies. The Developer acknowledges that, except in the case of information specifically designated by the Developer to be treated confidentially as a trade secret or secret process, the City may make environmental assessments, hazardous material building surveys, SRP submittals, or similar environmental documents relating to the Property publicly available, and Developer consents to the City's publication of those documents.

No bio-solids or bio-solids-based products may be imported to the Property from a wastewater treatment facility or other source. All imported material shall meet applicable SRP standards.

Without limiting any other provisions hereof, 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 Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which Owner, or any person directly or indirectly controlling, controlled by or under common control with Owner, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

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

(a) Before execution and delivery of this Agreement.

(i) Workers Compensation and Employers Liability

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

(ii) Commercial General Liability

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed by Sub-developers, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or Developer may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of Developer. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of Developer's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and defense of suits arising out of Developer's acts or omissions, whether such liability is attributable to the Contactor or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. Developer's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(iii) All Risk Property

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

(iv) Automobile Liability

A Business Auto Policy covering any motor vehicles (owned, non-owned and hired) which are used in connection with work, services, or operations to be performed, must be maintained by the Developer. Limits of not less than $1,000,000 per accident for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, non-contributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

(v) Blanket Crime (when applicable)

When applicable, Developer must maintain Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by employee dishonesty, forgery or alteration, funds transfer fraud, robbery, theft, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit shall be written to cover losses in the amount of the maximum monies collected or received and in the possession of Developer at any given time under this Agreement.

(b) Construction. Before the construction of any portion of the Project, Developer shall procure and maintain, or cause its architects, contractors, subcontractors, project managers, and other parties constructing the Project to procure and maintain, the following types and amounts of insurance:

(i) Workers Compensation and Employers Liability

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

(ii) Commercial General Liability

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or the insured party may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of the insured party. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of the insured party's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and defense of suits arising out of any of the insured party's acts or omissions, whether such liability is attributable to the insured party or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. The insured party's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(iii) Automobile Liability

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services, or operations to be performed, Automobile Liability Insurance must be maintained with limits of not less than $2,000,000 per accident for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, non-contributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

(iv) Railroad Protective Liability

When, in connection with this Agreement, any work is to be done within 50 feet adjacent to or on property owned by a railroad or public transit entity, Developer shall procure and maintain, or cause to be procured and maintained, with respect to the operations that Developer or any insured party shall perform, railroad protective liability insurance in the name of such railroad or public transit entity. The policy shall have limits of not less than $2,000,000 per occurrence, combined single limit, and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk (when applicable)

When any construction, including improvements, betterments, and/or repairs to real property, is undertaken, Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery, and fixtures that are or will be part of the project. Coverage(s) must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City is to be named as an additional insured and loss payee.

(vi) Professional Liability (when applicable)

When any professional consultants perform work, services, or operations in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than $2,000,000 per claim. Coverage must

include, but not be limited to, technology errors and omissions and pollution liability if environmental site assessments are conducted, when applicable. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of work under this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers

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

(viii) Pollution Liability (when applicable)

When any Remediation Work or services performed involves a potential pollution risk that may arise from the operations in connection with the work that may fall under the scope and direction of the Developer, the Developer must cause remediation contractor to provide Pollution Liability coverage with limits no less than $2,000,000 per occurrence or claim and $2,000,000 aggregate per policy period of one year. Coverage must be provided or caused to be provided, covering bodily injury, property damage and other losses caused by pollution conditions. Coverage must include but not be limited to completed operations, contractual liability, defense, excavation, environmental cleanup, remediation, and disposal and if applicable, include transportation and non-owned disposal coverage. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

The City must be provided with an additional insured status with respect to liability arising out of work, services or operations performed on behalf of the City. The City's additional insured status must apply to liability and defense of suits arising out of the insured party's acts or omissions, whether such liability is attributable to the insured party or to the City on an additional insured endorsement form acceptable to the City. The City is to be named as an additional insured on a primary, non-contributory basis. The Developer and any other insured party shall comply with any additional insurance requirements that are stipulated by the Interstate Commerce Commission's regulations, Title 49 of the Code of Federal Regulations, Department of Transportation; Title 40 of the Code of Federal Regulations, Protection of the Environment and any other federal, state or local regulations concerning the removal and transportation of Hazardous Materials.

The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. The insured party's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

(xi) Umbrella or Excess

Umbrella or Excess Liability Insurance must be maintained with limits of not less than $10,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the

underlying Commercial General Liability, Automobile Liability, Employers Liability and Completed Operations coverage required herein and expressly provide that the Excess or Umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without the right of contribution by any other insurance or self-insurance maintained by or available to the City.

A combination of primary and Excess/Umbrella policies may be used to satisfy the limits of liability required under Workers' Compensation, Employer's Liability, Commercial General Liability, and Automobile Liability.

(x) Installation Floater (when applicable)

When any construction is undertaken, but there is no real property construction taking place, Developer must cause to provide All Risk Installation Floater Insurance to cover installation work, including improvements, betterments, and/or repairs. The Installation Floater must provide for replacement cost of materials, supplies, equipment, machinery and fixtures that are or will be part of the final project. Coverages must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City is to be named as an additional insured and loss payee.

(xi) Marine Protection & Indemnity (when applicable)

When Developer undertakes any marine operation in connection with this Agreement, Developer must provide, or cause to provide, Marine Protection & Indemnity coverage with limits of not less than $1,000,000 per occurrence. Coverage must include, but not be limited to: property damage and bodily injury to third parties; injuries to crew members if not provided through other insurance; damage to wharves; piers and other structures; and collision. The City is to be named as an additional insured.

(c) Post Construction:

(i) All Risk Property

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

(d) Other Requirements:

Evidence of Insurance. Developer must furnish the City certificates of insurance and additional insured endorsement, or other evidence of insurance (the "Certificate of Insurance" or "COI"), to be in force on the date of this Agreement, and renewal COIs and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of the Agreement. The Developer must submit evidence of insurance prior to execution of this Agreement. The receipt of any COI does not constitute agreement by the City that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the COI are in compliance with

all requirements of this Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Developer, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Developer must advise all insurers of this Agreement's provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect the Developer for liabilities which may arise from or relate to this Agreement. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time.

Failure to Maintain Insurance. Failure of the Developer to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility nor does it relieve Developer of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or this Agreement may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Developer must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium. A copy of the physical endorsements must accompany the Certificate of Insurance for General Liability, Automobile Liability and Workers' Compensation in order to comply with the insurance requirements.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer.

Waiver of Subrogation. Developer hereby waives its rights and its insurer(s)' rights of, and agrees to require their insurers to waive their rights of, subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. The Developer agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the City receives a waiver of subrogation endorsement for Developer's insurer(s).

Developers Insurance Primary. All insurance required of Developer under this Agreement shall be endorsed to state that Developer's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation as to Developer's Liabilities. The coverages and limits furnished by the Developer in no way limit the Developer's liabilities and responsibilities specified within this Agreement or by law.

No Contribution by the City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Developer under this Agreement.

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

Insurance and Limits Maintained. If Developer maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the

higher limits and/or broader coverage maintained by Developer. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Developer. If Developer desires additional coverages, the Developer will be responsible for the acquisition and cost.

Insurance required of General Contractor and Subcontractors. Developer must require General Contractor and subcontractors to provide the insurance required herein, or Developer may provide the coverages for General Contractor and subcontractors. Each General Contractor and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement. The Developer is responsible for ensuring that each General Contractor and subcontractor has named the City as an additional insured where required, as well as specifically naming the City as an additional insured on any endorsement form at least as broad and acceptable to the City. The Developer is also responsible for ensuring that each General Contractor and subcontractor has complied with the required coverage and terms and conditions outlined in this subsection (d), Other Requirements. When requested by the City, the Developer must provide to the City Certificate of Insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the General Contractor and subcontractors to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in this Agreement to the contrary, the City, Department of Finance, Risk Management Division maintains the right to modify, delete, alter or change these requirements.

SECTION 13. INDEMNIFICATION

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

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

(ii) 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 official statement, limited offering memorandum or private placement memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or any Affiliate of Developer or any agents, employees, contractors or persons acting under the control or at the request of Developer or any Affiliate of Developer; or

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

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

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 Books and Records. 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 Owner's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at Owner's offices for inspection, copying, audit and examination by an authorized representative of the City, at Owner's expense. Owner shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

14.02 Inspection Rights. Upon three (3) business days' notice, Developer shall permit any authorized representative of the City to access to all portions of the Project and the Property during normal business hours for the Term of the Agreement. The covenants set forth in this Section shall run with the land and be binding upon any transferee.

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 Developer under this Agreement:

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

(b) any Developer Party fails to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of such party under any other agreement with any person or

entity if such failure may have a material adverse effect on such party's business, property, assets, operations or condition, financial or otherwise;

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

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

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

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

(i) the dissolution of any Developer Party;

(j) a criminal proceeding (other than a misdemeanor) is instituted in any court against any Developer Party or any natural person who owns a material interest in such Developer Party and is not dismissed within thirty (30) days, or any Developer Party or any natural person who owns a material interest in such Developer Party is indicted for any crime (other than a misdemeanor);

(k) before the expiration of the Term of the Agreement, except as further listed below and for the collateral assignment of the general partner interest in the Owner to a lender providing Lender Financing and the replacement of the Owner's general partner by the Investor Limited Partner in accordance with the Owner's partnership agreement, a majority of the ownership interests of Developer are sold or transferred without the prior written consent of the City, except for transfers of limited partner interests in the Owner and transfers of interests in the limited

partner of Owner in accordance with the terms of Owner's partnership agreement, and removal of the general partner of Owner and replacement with an affiliate of Owner's limited partner, in accordance with the terms of Owner's partnership agreement;

(l) any Developer Party or any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to any Developer Party fails to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code; such failure shall render this Agreement voidable or subject to termination, at the option of the Chief Procurement Officer; or

(m) failure to provide the City with an Annual Compliance Report within sixty (60) days of when it is due, as set forth in Section 8.20.

(n) Developer fails to secure the Certificate by the date that is 30 months after the Closing Date.

For purposes of Sections 15.01(i) and 15.01(j), a person with a material interest in any Developer Party shall be one having a direct or indirect beneficial interest (including ownership) exceeding 10% in such Developer Party. The City hereby agrees that, in addition to the cure rights set out in Section 15.03 below, any cure of any default made or tendered by one or more of Owner's limited partners or a lender providing Lender Financing shall be deemed to be a cure by the Owner and/or Developer and shall be accepted or rejected on the same basis as if made or tendered by Owner and/or Developer.

15.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and any Developer Party are or shall be parties, suspend disbursement of City Funds, and/or seek reimbursement of any City Funds paid. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, foreclosure of the Junior Mortgage, injunctive relief or the specific performance of the agreements contained in this Agreement or under the Junior Mortgage.

Upon the occurrence of an Event of Default under Section 15.01(m), Developer shall be obligated to pay to the City the amount of $10,000 as liquidated damages, and not as a penalty, which such payment shall be required no more often than once per calendar year. Any payment of liquidated damages by Developer shall not relieve Developer of its obligation under Section 8.20.

Upon the occurrence of an Event of Default because of failure to comply with Section 8.22, (Sustainable Development Policy), the City's remedy shall be the right to seek reimbursement of City Funds in the amount of $250,000.

15.03 Curative Period. In the event Developer shall fail to perform a monetary covenant which 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 Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event Developer shall fail to perform a non-monetary covenant which 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 Developer has failed

to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has started 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.

15.04 Additional Notice and Cure Rights. If an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the Limited Partner and any lender providing the Swap at the addresses in Section 17 and to each of the lenders providing Lender Financing whose addresses are listed in Section 17. The Limited Partner, each lender providing Lender Financing, any lender providing the Swap and any holder of any Permitted Refinancing (each a "Right-to-Cure Party") shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

(a) if the Event of Default is a monetary default, any Right-to-Cure Party may cure it within 30 days after the expiration of the cure period, if any, granted to Developer with respect to such monetary default; and

(b) if the Event of Default is of a non-monetary nature, any Right-to-Cure Party shall have the right to cure it within 30 days after the expiration of the cure period, if any, granted to Developer with respect to such non-monetary default; provided, however, that if such non-monetary default is not reasonably capable of being cured by any Right-to-Cure Party within such 30-day period, such period shall be extended for such reasonable period of time agreed to by the City as may be necessary to cure such default, provided that the party seeking such cure must diligently and continuously prosecute the cure of such default until the same has been cured and, if possession of the Project is necessary to effect such cure, the party seeking such cure must have instituted appropriate legal proceedings to obtain possession to the extent such party has the right to do so.

SECTION 16. MORTGAGING OF THE PROJECT

All mortgages or deeds of trust in place as of the date of this Agreement with respect to the Property or any portion thereof that were made before or on the date of this Agreement in connection with Lender Financing or the Swap and which are Permitted Liens are referred to in this Agreement as the "Existing Mortgages." Any mortgage or deed of trust that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to in this Agreement as a "New Mortgage." Any New Mortgage that Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof (i) as security for the Senior Permanent Loan or a Permitted Refinancing or (ii) with the prior written consent of the City is referred to in this Agreement as a "Permitted Mortgage." The City and Developer agree as follows:

(a) If a mortgagee or any other party shall succeed to Owner's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction

therewith accepts an assignment of Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) If any mortgagee shall succeed to Owner's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest under this Agreement in accordance with Section 18.14 (Assignment), the City hereby agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "Developer" under this Agreement; 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 Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default or indemnification obligation of Developer which accrued before such party succeeded to the interest of Developer under this Agreement, in which case Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of Developer's interest under this Agreement, 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) During the Term of the Agreement, Developer shall not execute a New Mortgage, other than a Permitted Mortgage, with respect to the Property or any portion of the Property without the prior written consent of the Commissioner.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required under this Agreement 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:		**If to Developer**:
City of Chicago Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner		Homan Square Apartments Phase IV Holder, LP c/o IFF 333 South Wabash Avenue, Suite 2800 Chicago, Illinois 60664 Attention: Eden Hurd-Smith Foundation for Homan Square 906 South Homan Avenue Chicago, Illinois 60624 Attention: Executive Director

With Copies To: City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division		With Copies To: Husch Blackwell LLP 8001 Forsyth Boulevard, Suite 1500 St. Louis, Missouri 63105 Attention: Joseph Bredehoft Lender Cedar Rapids Bank and Trust Company 500 First Avenue NE Cedar Rapids, Iowa 52401 Attention; Brad Curtin Investor Limited Partner Red Stone Equity Holding, LLC c/o Red Stone Equity Partners, LLC 90 Park Avenue, 28th Floor New York, NY 10016 Attention: Chief Executive Officer & Director/Senior Vice President, Legal With copies to: Applegate & Thorne-Thomsen, P.C. 425 S. Financial Place, Suite 1900 Chicago, IL 60605 Attention: Bennett P. Applegate

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 its Exhibits may not be amended or modified without the prior written consent of the parties to this Agreement; provided, however, that the City, in its sole discretion, may amend, modify, or supplement the Redevelopment Plan without the

consent of any party to this Agreement. No material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than ninety (90) days. Any extension to the time agreed for performance by Developer granted under this Section 18.01 is in addition to any extension granted via a Change Order in accordance with Section 3.04.

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

18.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

18.04 Further Assurances. 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 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 Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms of this Agreement. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties to this Agreement, shall constitute a waiver of any such parties' rights or of any obligations of any other party to this Agreement as to any future transactions.

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

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 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.

18.09 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 in this Agreement and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.10 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.

18.11 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.

18.12 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.

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

18.14 Assignment. 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 hereby consents to the execution and delivery of a Collateral Assignment in favor of a lender holding Lender Financing. Any successor in interest to Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, as described in Section 7.02 (Effect of Issuance of Certificate; Continuing Obligations), for the Term of the Agreement. Developer consents to the City's sale, transfer, assignment, or other disposal of this Agreement at any time in whole or in part.

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

18.16 Force Majeure. Neither the City nor 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 under this Agreement. The individual or entity relying on this Section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this Section with respect

to any such delay may rely on this Section only to the extent of the actual number of days of delay effected by any such events described above.

18.17 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, 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 Developer has locations in the State. Failure by Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth in this Agreement.

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

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

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

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

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

HOMAN SQUARE APARTMENTS PHASE IV HOLDER, LP,
an Illinois limited partnership

By: Homan Square Apartments Phase IV, LLC,
an Illinois limited liability company,
its general partner

By: Homan Phase IV Manager, LLC,
an Illinois limited liability company,
its manager

By: Foundation for Homan Square,
an Illinois not-for-profit corporation,
Its manager

By:_____

Name:_____

Its:_____

FOUNDATION FOR HOMAN SQUARE,
an Illinois not-for-profit corporation

By:_____

Name:_____

Its:_____

CITY OF CHICAGO

By:_____

Name: _____

Commissioner of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____ (the "Representative"), personally known to me to be the [manager] of **[DEVELOPER]**, an Illinois limited liability company ("Developer"), 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 the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by Developer, as the Representative's free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

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

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the Commissioner of Planning and Development (the "Commissioner") 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 the Commissioner signed, sealed, and delivered said instrument, pursuant to the authority given to the Commissioner by City, as the Commissioner's free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

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

_____
Notary Public

My Commission Expires_____

[(Sub)Exhibit "A" referred to in this Homan Square Apartments Phase IV Holder Redevelopment Agreement constitutes Exhibit "F" to ordinance and printed on page 33357 of this *Journal*.]

(Sub)Exhibits "B" and "C" referred to in this Homan Square Apartments Phase IV Holder Redevelopment Agreement read as follows:

(Sub)Exhibit "B".
(To Homan Square Apartments Phase IV Holder Redevelopment Agreement)

Project Budgets (Project Budget, MBE/WBE Budget And TIF-Funded Improvements)[1].

PROJECT BUDGET*		
	Building Cost	$4,360,000
	Land Cost	$1,140,000
	Other Acquisition	$34,500
Acquisition Costs Subtotal		**$5,534,500**
	Net Construction Costs	$15,523,266
	General Conditions	$749,774
	Overhead	$310,465
	Profit	$870,855
Construction Costs Subtotal		**$17,454,360**
	Furniture, Fixtures, & Equipment	$400,000
	Building Permits	$110,000
	GC Insurance	$174,540
	Contingency	$1,762,890
Other Construction Subtotal		**$2,447,430**
	Architect - Design	$384,350
	Architect - Supervision	$139,380
	PNA Report	$43,064
	Permit Expediter	$45,000
	As-Is Plats & Surveys	$47,342
	Accountant -- General	$35,000
	Legal - Organizational	$110,000
	Consultant - Financial	$150,000
	Appraisal	$20,500
	Market Study	$6,950
	Phase I Environ. Report	$39,800
	Title & Recording Fees	$50,000
	Other Professional Fees	$111,350
Professional Fees Subtotal		**$1,182,736**
	Tax Credit Issuer Fees	$70,229
	Application Fees	$1,500
	Construction Points	$133,211
	Perm Loan Points	$10,000
	Construction Inspection	$40,000
	Lender Legal Fees	$85,000
	Bond -- Rating Agency	$5,000
	Bond -- Trustee	$10,500
	Bond -- Bond Counsel	$100,000
	Bond -- Other	$361,574
	Construction Interest	$1,303,594
	Other Lender Fees	$17,000

1 The MBE/WBE budget is an estimate calculated as of the Closing Date. The final amounts will be based on the final hard construction costs of the Project.

Lender Fees Subtotal		**$2,137,608**
	Liability Insurance	$25,000
	Hazard Insurance	$75,000
Construction Period Subtotal		**$100,000**
	Other Marketing & Leasing	$10,000
Marketing & Leasing Subtotal		**$10,000**
	Other Tenant Relocation	$722,041
Tenant Relocation Subtotal		**$722,041**
	Developer Fee	$1,775,546
Developer Fee Subtotal		**$1,775,546**
	Insurance Reserve	$157,500
	Property Tax Reserve	$41,250
	Operating Reserve	$685,704
	Replacement Reserve	$37,800
Reserves Subtotal		**$922,254**
Grand Total Dev Costs		**$32,286,475**

*With the exception of Land, Project Budget amounts above are based on 107 affordable units

TIF-FUNDED IMPROVEMENTS**	
Category	**TIF Eligible Cost**
Affordable Housing Unit Rehabilitation Hard Costs	$17,454,360
Eligible Soft Costs (Constr. Related)	
Architect-Design	$384,350
Architect-Supervision	$139,380
TOTAL	**$17,978,090*****

**Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in Section 4.03.
***Notwithstanding the total amount of TIF-eligible costs, and subject to the budget containing sufficient TIF-eligible costs, the City's TIF assistance for the Project shall not exceed $9,979,778.

MBE/WBE BUDGET	
Project Hard Costs	$17,454,360
Project MBE/WBE Total Budgets	$17,454,360
Project MBE Total at 26%	**$4,538,134**
Project WBE Total at 6%	**$1,047,262**

(Sub)Exhibit "C".
(To Homan Square Apartments Phase IV Holder L.P. Redevelopment Agreement)

List Of Prior Expenditures.

[Not Attached For Introduction]

Exhibit "F".
(To Ordinance)

Property.

Legal Description [subject to survey and title insurance]:

Lots 1, 2, 3 and 4 in Section One and Lots 1, 2, 3 and 4 in Section Two, in Homan Square Phase Four Section One and Two, being a subdivision of part of the southwest quarter of Section 14, Township 39 North, Range 13, East of the Third Principal Meridian, according to the plat thereof recorded September 9, 1998 as Document Number 98804192, as amended by Certificate of Correction recorded October 2, 1998 as Document Number 98885813, in Cook County, Illinois.

Property Address:

3607, 3621 and 3645 West Polk Street;
906 and 908 South Central Park Avenue; and
921 South Lawndale Avenue
Chicago, Illinois.

Property Identification Numbers ("PINs"):

16-14-316-034-0000, 3607 West Polk Street;

16-14-316-033-0000, 3621 West Polk Street;

16-14-316-032-0000, 3645 West Polk Street;

16-14-322-013-0000, 906 South Central Park Avenue;

16-14-322-014-0000, 908 South Central Park Avenue; and

16-14-322-015-0000, 921 South Lawndale Avenue.

AUTHORIZATION OF LOAN TRANSFER AND ASSUMPTION AGREEMENT FROM PIONEER GARDENS DEVELOPMENT LLC TO 3800 KING PROPERTIES LLC FOR PROPERTIES AT 3800, 3804, 3808, 3810 AND 3814 S. DR. MARTIN LUTHER KING, JR. DR. AND 3744 AND 3746 S. CALUMET AVE.

[O2025-0019911]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance authorizing the transfer of physical assets and assumption of the HOME loan and the regulatory agreement from Pioneer Gardens Development LLC to 3800 King Properties LLC for the Eden Bronzeville project at 3800, 3804, 3808, 3810 and 3814 South Dr. Martin Luther King, Jr. Drive and parking lots at 3744 and 3746 South Calumet Avenue (3rd Ward) (O2025-0019911), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois and, as such, may legislate as to matters which pertain to its local government and affairs; and

WHEREAS, The City has determined that the continuance of a shortage of affordable housing to persons of low- and moderate-income is harmful to the health, prosperity, economic stability and general welfare of the City; and

WHEREAS, The City received from the United States Department of Housing and Urban Development an allocation of funds pursuant to the HOME Investment Partnerships Program ("HOME Funds") to make loans and grants to expand the long-term supply of affordable housing through, among other things, acquisition, new construction, reconstruction and moderate and substantial rehabilitation in low- and moderate-income areas; and

WHEREAS, Pursuant to an ordinance passed by the City Council of the City (the "City Council") on May 5, 2004, and published at pages 22272 through and including 22454 of the *Journal of the Proceedings of the City Council of the City of Chicago* for that date, the City authorized the Department of Housing ("DOH") to enter into a transaction generally involving the following elements: (1) a loan of HOME Funds in the amount of $1,828,000 with an interest rate of zero percent per annum and a term not to exceed 40 years (the "HOME Loan") to Pioneer Gardens Senior Housing Limited Partnership, an Illinois limited partnership (the "Original Borrower"); and (2) the issuance of tax-exempt multi-family housing revenue bonds in an amount not to exceed $13,000,000 (the "Bonds") for the acquisition, construction, and equipping of an eight-story assisted living residential rental housing development for seniors, commonly known as Pioneer Gardens Supportive Living Facility, containing approximately 120 affordable units, and generally located at 3800, 3804, 3808, 3810 and 3814 South Dr. Martin Luther King, Jr. Drive with parking lots located at 3744 and 3746 South Calumet Avenue, all in Chicago, Illinois (the "Project"); and

WHEREAS, On or about August 30, 2004, the City made the HOME Loan, issued the Bonds in the principal amount of $11,340,000, and facilitated the use of low-income housing tax credits ("LIHTC") in the amount of $866,108 for the Project; and

WHEREAS, The HOME Loan, the Bonds, and LIHTC were evidenced by, among other things: (a) that certain Housing Loan Agreement executed by the Original Borrower dated as of August 1, 2004 (the "Document Date") (the "Loan Agreement"); (b) a note dated as of the Document Date made by the Original Borrower in favor of the City (the "Note"); and (c) two separate regulatory agreements, each dated as of the Document Date, one in connection with the HOME Loan and LIHTC, and another in connection with the Bonds (the "Regulatory Agreements"); and the HOME Loan was secured by, among other things, that certain Junior Mortgage, Security and Financing Statement dated as of the Document Date (such mortgage, together with the Loan Agreement, the Note, the Regulatory Agreements, and any other documents executed for the benefit of the City in connection with the Project, the "City Documents"); and

WHEREAS, The sole general partner of the Original Borrower is Pioneer Gardens Development LLC, an Illinois limited liability company, the sole member of which is South Park Affordable Housing and Services, Inc., an Illinois not-for-profit corporation; and

WHEREAS, The Original Borrower desires to sell the Project and transfer its rights, duties, obligations, and guaranties under the City Documents to 3800 King Properties LLC, an Illinois limited liability company (the "New Borrower"), which intends to have the Project rebranded as "Eden Bronzeville", to be managed and operated by Eden Bronzeville LLC, an Illinois limited liability company, pursuant to a lease with the New Borrower, and therefore, the Original Borrower seeks the City's consent to undertake all such action in accordance with the City Documents (the "Restructuring"); and

WHEREAS, DOH desires to approve the Restructuring in a manner that: (1) will not alter the principal balance of the HOME Loan; (2) will not alter the interest rate on the principal balance of the HOME Loan; (3) will not extend the maturity date of the HOME Loan; (4) will not alter the lien position of the HOME Loan or the recorded City Documents; (5) will not alter the affordability restrictions imposed by the City Documents; (6) will consent to the sale and transfer of the Original Borrower's rights, duties, obligations, and guaranties under the City Documents and the assumption of the same by the New Borrower; and (7) at the time of transfer, will release the Original Borrower from its rights, duties, obligations and guaranties under the City Documents (collectively, the "Material Terms"); now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Restructuring is hereby approved as described above. The Commissioner of Housing (the "Commissioner") or a designee of the Commissioner (each, an "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Restructuring. Each Authorized Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with any future restructuring of the HOME Loan that does not substantially modify the Material Terms.

SECTION 3. Notwithstanding anything to the contrary contained in the Municipal Code of Chicago (the "Municipal Code") or any other ordinance or mayoral executive order, no parties other than: (a) the owners and operators of the Property as of the date following the date of the closing of the Restructuring (collectively, the "Owner"); (b) any legal entities which are direct or indirect owners in excess of 7.5 percent of the Owner and which changed in connection with the Restructuring; and (c) any legal entities that constitute direct or indirect controlling parties of the Owner (as determined by the Corporation Counsel) and which changed in connection with the Restructuring, shall be required to provide to the City the document commonly known as the "Economic Disclosure Statement and Affidavit" (or any successor to such document) in connection with the Restructuring.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall take effect upon its passage and approval.

EXECUTION OF CAPITAL FUNDING AGREEMENT WITH NATIONAL RAILROAD PASSENGER CORPORATION (AMTRAK) TO PROVIDE TAX INCREMENT FINANCING ASSISTANCE FUNDS FOR IMPROVEMENT OF UNION STATION AT 225 S. CANAL ST.

[O2025-0019925]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance authorizing the execution of a Capital Funding Agreement with National Railroad Passenger Corporation (Amtrak) to provide Tax Increment Financing funding for various improvements at Chicago Union Station located at 225 South Canal Street in the 28th Ward, 34th Ward and 42nd Ward (O2025-0019925), in an amount not to exceed $1,750,000 TIF (PE/NEPA Funding) and $2,900,000 TIF (Construction Funding), having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government as described in Section 6(a), Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, The National Railroad Passenger Corporation ("Amtrak") is a corporation organized under 49 USC Section 24101, et seq. and the laws of the District of Columbia; and

WHEREAS, The City is authorized, under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "Act"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, In accordance with the provisions of the Act, and pursuant to three ordinances adopted on November 12, 1998 and amending ordinances adopted on June 19, 2002 and July 20, 2022, the City Council of the City (the "City Council"): (i) approved a certain redevelopment plan and project (the "Plan") for the Canal/Congress Redevelopment Project Area (the "Area") within the City; (ii) designated the Area as a redevelopment project area; and (iii) adopted tax increment allocation financing (the "TIF Adoption Ordinance") for the Area; and

WHEREAS, Under the Act and the TIF Adoption Ordinance, certain taxes are allocated and, when collected, are paid to the Treasurer of the City for deposit by the Treasurer into the TIF Fund (as defined in the TIF Adoption Ordinance) established to pay redevelopment project costs incurred within the Area, which taxes may be used to pay all or a portion of the costs of construction of public improvements within the Area that are incurred or that are to be incurred in furtherance of the objectives of the Plan, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, Amtrak owns Chicago Union Station, consisting, among other things, of tracks, platforms, and infrastructure, located at 225 South Canal Street, Chicago, Illinois ("CUS"), and is planning various improvements to the CUS, including: (i) the expansion of passenger-serving platforms and improvement of the train shed ventilation system (the "Platform and Ventilation Project"); and (ii) the construction of a new high-level passenger platform replacing the former mail platform (the "Mail Platform Project") (each a "Project" and collectively the "Projects"), which Projects involve public works upon rail lines and land parcels that continuously extend through and beyond the boundaries of the Area; and

WHEREAS, Amtrak has requested tax increment allocation financing funds assistance (the "City Contribution") from the City's Department of Transportation ("CDOT") to support portions of the cost of the Projects, and the City desires to provide such assistance; and

WHEREAS, The parties propose to enter into an intergovernmental agreement ("Agreement") authorizing and setting conditions on providing the City Contribution for the Projects; and

WHEREAS, Amtrak is authorized to enter into the Agreement; now, therefore,

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

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. Subject to the approval of the Corporation Counsel, the Commissioner of Transportation ("Commissioner") or his or her designee is hereby authorized to execute and deliver the Agreement with Amtrak in substantially the form attached hereto as Exhibit A, with such changes therein as the Commissioner or his or her designee may approve, provided that such changes do not amend any essential terms of the Agreement (execution of the Agreement by the Commissioner or his or her designee constituting conclusive evidence of such approval), and to enter into and execute all such other agreements and instruments and to perform any and all acts as shall be necessary or advisable in connection with the implementation of the Agreement.

SECTION 3. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 4. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation.

Chicago Union Station Projects
Preliminary Engineering/NEPA Review of the
Platform Expansion and Train Shed Ventilation Improvements Project
And
Construction of Mail Platform Project

THIS AGREEMENT ("Agreement") is entered into effective _____, 2025 (the "**Effective Date**") by and between **National Railroad Passenger Corporation**, a corporation organized under 49 U.S.C. § 24101 *et. seq.* and the laws of the District of Columbia and having its principal office and place of business at 1 Massachusetts Avenue, N.W., Washington, D.C. 20001 ("**Amtrak**"), and the **City of Chicago**, a body politic, acting through its **Department of Transportation**, organized under the laws of State of Illinois, with offices at _____ _____ ("**CDOT**" or "**City**"), each a "**Party**", and together the "**Parties**".

WHEREAS, Amtrak owns Chicago Union Station, consisting, among other things, of tracks, platforms, and infrastructure, located at 225 South Canal Street, Chicago, Illinois ("CUS"); and

WHEREAS, Amtrak is planning various improvements to CUS, including (i) the expansion of passenger-serving platforms, improvement of the train shed ventilation system (the "**Platform and Ventilation Project**") and (ii) the construction of a new high-level passenger platform replacing the former mail platform (the "**Mail Platform Project**") (each a "**Project**" and collectively the "**Projects**"); and

WHEREAS, Amtrak has applied for funding from the Federal Railroad Administration ("**FRA**") the FY 22-23 Federal-State Partnership for Intercity Passenger Rail Grant Program ("**FSP**") for preliminary engineering and National Environmental Policy Act ("**NEPA**") review for both the Platform and Ventilation Project (collectively, the "**PE/NEPA Work**") and for the construction of the Mail Platform Project (the "**Construction Work**"); and

WHEREAS, both the PE/NEPA Work and the Construction Work are integral parts of the construction costs for the Projects; and

WHEREAS, Amtrak has professional staff with relevant technical expertise related to public transportation train stations, and that staff will oversee the Projects and will oversee third-party contractors performing the PE/NEPA Work and the Construction Work; and

WHEREAS, the FSP will fund Eighty Percent (80%) of (i) the PE/NEPA Work costs not to exceed Forty-Four Million Dollars ($44,000,000) and (ii) the Construction Work costs not to exceed Forty-Nine Million Six Hundred Thousand Dollars ($49,600,000.00); and

WHEREAS, the FSP requires a Twenty Percent (20%) non-federal funding match from any combination of private, state, and/or local funds for the funding of the Projects; and

WHEREAS, the City is authorized, under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "**Act**"), to finance projects that eradicate blight conditions and conservation factors that could lead to blight through the use of tax increment allocation financing for redevelopment projects; and

WHEREAS, pursuant to ordinances adopted on November 12, 1998 and subsequently amended, the City Council of the City (the "**City Council**"): (i) approved a certain redevelopment plan and project (as amended, the "**Canal/Congress Redevelopment Plan**") for the Canal/Congress Redevelopment Project Area (as amended, the "**Canal/Congress Area**") within the City; (ii) designated the Canal/Congress Area as a redevelopment project area; and (iii) adopted tax increment allocation financing (the "**Canal/Congress TIF Adoption Ordinance**") for the Canal/Congress Area; and

WHEREAS, under the Act and under the Canal/Congress TIF Adoption Ordinance, certain taxes ("**Available Incremental Taxes**") are allocated and, when collected, are paid to the Treasurer of the City for deposit by the Treasurer into the Canal/Congress TIF Fund, established to pay redevelopment project costs incurred within the Canal/Congress Area which Available Incremental Taxes may be used to pay all or a portion of the costs of construction of public improvements within the Canal/Congress Area that are incurred or that are to be incurred in furtherance of the objectives of the Canal/Congress Redevelopment Plan to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, the PE/NEPA Work, the Construction Work and the Projects involve public works upon rail lines and land parcels that continuously extend through and beyond the boundaries of the Canal/Congress Area; and

WHEREAS, the PE/NEPA Work, the Construction Work and the Projects are the type of public improvement that is contemplated by the Canal/Congress Redevelopment Plan, and therefore the costs of the PE/NEPA Work and the Construction Work ("**Project Costs**") qualify as "Redevelopment Project Costs" under the Canal/Congress Redevelopment Plan, as defined in Section 5/11-74.4-3(q) of the Act; and

WHEREAS, on October _____, 2025, the City Council adopted an ordinance (the "**Authorizing Ordinance**") authorizing the execution of this Agreement; and

WHEREAS, CDOT has agreed to contribute matching funding in an amount not to exceed **One Million, Seven Hundred Fifty Thousand Dollars ($1,750,000.00),** toward the cost of Amtrak employees supporting and overseeing the PE/NEPA Work and the cost of Designer of Record ("**DOR**") consultants to be engaged by Amtrak for the PE/NEPA Work; and

WHEREAS, CDOT has agreed to contribute matching funding in an amount not to exceed **Two Million, Nine Hundred Thousand Dollars ($2,900,000.00),** toward the cost of Amtrak employees supporting and overseeing the Construction Work and the cost of DOR, Construction Manager ("**CM**") and General Contractor ("**GC**") consultants to be engaged by Amtrak for the Construction Work, all subject to the terms and conditions set forth herein; and

NOW THEREFORE, in consideration of the mutual covenants herein contained, the Parties hereto agree as follows:

Section 1. Recitals; Purpose

(a) The recitals hereinabove are hereby incorporated into this Agreement.

(b) The purpose of this Agreement is for CDOT to provide matching funds for each Project to be jointly funded by a grant provided by the FRA under the FSP, for the PE/NEPA Work for the ventilation system and platform enhancements Project and for the Construction Work for the mail platform Project.

Section 2. Scope of Services; Completion Date of the Projects

(a) The parties acknowledge that the Projects shall begin within one year of the date of this Agreement and shall be completed not later than December 31, 2033. Not less than 30 days prior to the above completion date, Amtrak shall notify CDOT of any expected delay in the completion of the Projects beyond that date and will provide a new expected completion date. If

the new expected completion date falls outside of the Term of the Agreement, prior CDOT approval is required. Should Amtrak fail to notify CDOT of an expected delay in completion, the City reserves the right to extend the completion date accordingly.

(b) Amtrak will engage one or more DOR consultants in support of each Project and will engage one or more CM and/or GC consultants for the mail platform Project, all in accordance with its procurement processes/procedures, policies and standards, FRA requirements, and FSP Agreement requirements. Amtrak and CDOT agree that the management and control of the Projects shall be by Amtrak alone.

(c) Amtrak shall provide the City any plans and specifications pertaining to the Projects that the City may reasonably request from time to time during the Term of this Agreement and shall notify CDOT of any significant changes to said plans.

(d) Amtrak hereby certifies that the Projects have to date and shall continue to comply with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders as may be in effect during the Term of this Agreement.

(e) Amtrak hereby certifies to the City, to the best of its knowledge as of the Effective Date, that the City Funds (as defined below), together with the other funds available to Amtrak for the Projects as described on Exhibits A and B, shall be sufficient to complete the Projects.

(f) Subject to the Parties executing a non-disclosure agreement pursuant to Section 10(e), Amtrak shall make available to the City a copy of the fully executed contract between Amtrak and the designer for the Projects within thirty (30) days after request from the City.

(g) Within the body of Amtrak's final Disbursement Request, on the form as set forth on **Exhibit E** hereto ("**Disbursement Request**"), the Amtrak agrees to certify to the City that the Projects were completed in compliance with this Agreement and that all subcontractor retainage related to the Projects has been paid out.

Section 3. Joint Funding

The total estimated cost of the PE/NEPA Work for the Platform and Ventilation Project is Fifty-Five Million Dollars ($55,000,000.00), as set forth in **Exhibit A**, attached hereto and made a part hereof. The FRA is providing Eighty Percent (80%) of the estimated cost of the PE/NEPA Work, or Forty-Four Million Dollars ($44,000,000.00). CDOT has agreed to fund an amount not to exceed Three and Eighteen Hundredths Percent (3.18%) of the estimated cost of the Project, or not to exceed One Million, Seven Hundred Fifty Thousand Dollars ($1,750,000.00) ("**CDOT's**

PE/NEPA Funding") as set forth in **Exhibit A**. The remaining Sixteen and Eighty-Two Hundredths Percent (16.82%) of the estimated cost of the Project is expected to be funded by Amtrak and third parties as set forth in **Exhibit A**.

The total estimated cost of the construction of the Mail Platform Project is Sixty-Two Million Dollars ($62,000,000.00), as set forth in **Exhibit B**, attached hereto and made a part hereof. The FRA is providing Eighty Percent (80%) of the estimated cost of the Construction Work, or Forty-Nine Million, Six Hundred Thousand Dollars ($49,600,000.00). CDOT has agreed to fund an amount not to exceed Four and Sixty-Eight Hundredths Percent (4.68%) of the estimated construction cost of the Mail Platform Project, or not to exceed Two Million, Nine Hundred Thousand Dollars ($2,900,000.00) ("**CDOT's Construction Funding**") (together with CDOT's PE/NEPA Funding, the "**City Funds**") as set forth in **Exhibit B**. The remaining Fifteen and Thirty-Two Hundredths Percent (15.32%) of the estimated cost of the mail platform Project is expected to be funded by Amtrak and third parties as set forth in **Exhibit B**.

The Parties acknowledge that CDOT intends to use Available Incremental Taxes from the Canal/Congress TIF Fund to cover its City Funds obligations under this Agreement. The Parties shall work together to confirm CDOT's contributions to the Projects are used for TIF-eligible costs as defined in the Act ("**TIF-Eligible Costs**"). CDOT represents and agrees that all of the costs described in **Exhibit C**, attached hereto, are deemed TIF-Eligible Costs for public works, as defined in the Act, within or adjacent to the Canal/Congress Area, and that Amtrak is a public body for purposes of the Act.

Section 4. **Allocation of TIF-Eligible Costs**

CDOT's share of the costs of the PE/NEPA Work and of the Construction Work include the actual cost incurred, the cost of any related additional insurance, plus the G&A overhead rates as set forth in the Overhead Schedule set forth in **Exhibit G** (the "**Overhead Schedule**").

The overhead rates in **Exhibit G** are computed in accordance with Amtrak's accounting policies and procedures. These rates are updated periodically by Amtrak and will be made available to CDOT, upon request.

CDOT acknowledges that all work that City Funds will fund for the PE/NEPA Work and Construction Work will take place in the areas shown on **Exhibit D** (the "**Project Work Areas**"). CDOT represents and agrees that any work on the Projects performed in such Project Work Areas

is deemed to be within or, due to the nature of rail lines and parcels, adjacent to the Canal/Congress Area for purposes of eligibility for funding under the Act.

Section 5. Billing and Payment

(a) Amtrak funds shall be used to pay all Project Costs upfront and then Amtrak shall invoice CDOT for its proportionate share pursuant to the procedures described in this Section.

(b) Amtrak shall request the payment of the City Funds on a properly completed Disbursement Request, attached as **Exhibit E** hereto, which Amtrak may file with the City on a quarterly (4x/year) basis following its incurrence of TIF-Eligible Costs. Prior to or simultaneous with the delivery of a Disbursement Request to the City, Amtrak shall submit documentation substantiating its applicable incurrence of TIF-Eligible Costs to CDOT.

(c) Delivery by Amtrak to CDOT of a Disbursement Request hereunder shall, in addition to the items expressly set forth therein, constitute a certification to the City, as of the date of the Disbursement Request, that:

(i) the total amount of the Disbursement Request represents the actual amount already incurred by Amtrak for its own work or incurred by Amtrak and owing to the general contractor(s), subcontractors or other parties who have performed work on or otherwise provided goods or services in connection with the Projects;

(ii) the work being sought for reimbursement hereunder actually took place in the Project Work Area, which CDOT has agreed is within or adjacent to the Canal/Congress Area;

(iii) Amtrak has approved all work and materials for the Disbursement Request; and

(iv) The work that is the subject of the Disbursement Request was performed in accordance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders at the time of its completion.

(d) Upon presentation of a Disbursement Request from Amtrak, the City shall review it and its supplemental documentation for, among other things, evidence (including proof of Amtrak's expenditures) reasonably satisfactory in form and substance to CDOT that Amtrak incurred and paid TIF-Eligible Costs, subject to the funding limits agreed to herein.

(e) The City will pay Amtrak the requested amount of the City Funds not later than sixty (60) days after CDOT received the Disbursement Request; provided, however, that if CDOT informs Amtrak in writing (e.g., by email) within that 60-day period of any questions or comments it has about the Request or the supplemental documentation, such notice by CDOT automatically

extends the 60-day payment window to sixty (60) days after CDOT receives supplemental information satisfactory to CDOT.

Section 6. Term

The term of this Agreement ("**Term**") shall commence on the Effective Date and shall expire on December 31, 2033, unless extended pursuant to the provisions of Section 2(a) above, or on the date of termination of this Agreement according to its terms, whichever occurs first.

Section 7. Environmental Matters; Safety; Inspection

(a) The City makes no covenant, representation or warranty as to the environmental condition of the Projects or the suitability of the Projects for any public use whatsoever.

(b) Nothing in this Agreement will be deemed to make the City responsible for the safety and protection of the public in connection with the Projects.

(c) The City reserves the right to inspect the Projects from time to time while they are being undertaken or after their completion; provided, however, the City and Amtrak must first execute Amtrak's then-current form of Temporary Permit to Enter Amtrak's Property before the City or anyone acting on its behalf may enter Amtrak's property for such inspections.

Section 8. Insurance

Amtrak is self-insured. During the term of this Agreement, Amtrak shall provide and maintain, at its own expense, or cause to be provided, insurance or self-insurance equivalent to the coverages and requirements specified in **Exhibit F**, attached hereto, concerning all operations related to this Agreement.

Section 9. Employment Obligations

(a) Employment Opportunity. Amtrak, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its general contractors, subcontractors or any Affiliate of Amtrak operating in connection with the Project (collectively, with Amtrak, the "**Employers**" and individually an "**Employer**") to agree, that for the Term of this Agreement with respect to Amtrak and during the period of any other party's provision of services to Amtrak in connection with the construction of the Project, to the extent not in conflict with Amtrak's funding agreements, procurement policies or requirements, and/or applicable federal and state laws, regulations, or guidance (including executive orders):

(i) 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 ("**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.

(ii) As required by 49 U.S.C. 5332 (which prohibits discrimination on the basis of race, color, creed, national origin, sex, or age, and prohibits discrimination in employment or business opportunity), by Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d, and by U.S. DOT regulations, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation--Effectuation of Title VI of the Civil Rights Act," 49 CFR part 21 at 21.7, the Employer ensures that it will comply with all requirements imposed by or issued pursuant to 49 U.S.C. 5332, 42 U.S.C. 2000d, and 49 CFR part 21, so that no person in the United States, on the basis of race, color, national origin, creed, sex, or age will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in any program or activity (particularly in the level and quality of transportation services and transportation-related benefits) for which the Employer receives Federal assistance awarded by the U.S. DOT or FTA.

(iii) 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., and any subsequent amendments and regulations promulgated thereto.

(iv) 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.

(v) Each Employer shall include the foregoing provisions of subparagraphs (i) through (iv) 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 undertaking any portion of the Project, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.

(b) Construction Worker Hours. If the Project is funded in whole or in part with federal grant dollars, Amtrak will implement affirmative action requirements or goals for all Project that impose construction worker hours participation by utilization of minorities and women, respectively but only if such implementation does not conflict with Amtrak's funding agreements, procurement policies or requirements, and/or applicable federal and state laws, regulations, or guidance (including executive orders).

(c) Amtrak's DBE Commitment. The Amtrak agrees to require all contractors to comply with applicable DBE requirements provided in the contracts related to the Project but only if such implementation does not conflict with Amtrak's funding agreements, procurement policies or requirements, and/or applicable federal and state laws, regulations, or guidance (including executive orders).

Section 10. <u>Access to Records; Parties Audit Rights</u>

(a) Amtrak agrees to, and to require its consultants to, establish and maintain accurate records, in accordance with generally accepted accounting principles for the industry, of all expenses incurred in relation to the PE/NEPA Work and the Construction Work, for which payment is sought or made under this Agreement, said records to be hereinafter referred to as the "**Records**".

(b) CDOT shall have the right to access and inspect Amtrak's Records relating to the DOR's, CM's or GC's costs or Amtrak's force account costs being funded by CDOT's funds, at reasonable times during the term of this Agreement after giving reasonable notice, for three (3) years after completion of the PE/NEPA Work or the Construction Work, as the case may be, or from the date of final payment, whichever occurs first.

(c) Reasonable notice shall be given by CDOT followed by a formal engagement letter that stipulates the nature, timing and extent of the audit. The letter must contain the details, timing, scope, and duration of the audit.

(d) CDOT, or its representative, may inspect, copy, or audit the Records at any reasonable time after giving reasonable notice. Records can be viewed at the Amtrak location where the Records are maintained, or at Amtrak's option records may be shared electronically.

(e) Records deemed as confidential by Amtrak will not be shared electronically. These Records MUST be viewed where they are maintained and returned to Amtrak after viewing on site. Confidential Records will ONLY be shared if a non-disclosure agreement (NDA) is in place between CDOT (or its representative/auditor) and Amtrak prior to and during the disclosure.

(f) Amtrak will not be required to travel as a result of the audit and will only be required to share Amtrak owned data, not employee data.

(g) This Section 6 supersedes any state legislation and in the event of a conflict, this Section 6 shall prevail.

(h) In the event that an audit performed by or on behalf of CDOT prior to either the PE/NEPA Work or the Construction Work close out date indicates an adjustment to the costs reported under this Agreement, or questions whether an item of expense is billable according to the terms of this Agreement, CDOT shall promptly submit to Amtrak a written Notice of Audit Results and a copy of the audit report to include all supporting documentation related to the costs in question and refer to and apply the specific language in this Agreement which supports such audit results. The Notice of Audit Results may supplement or modify any tentative findings verbally communicated to Amtrak at the completion of an audit.

(i) Within sixty (60) days after the receipt of the Notice of Audit Results, the audit report and all supporting documentation, Amtrak shall endeavor to: (a) respond in writing to CDOT indicating whether or not Amtrak concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense and (c) submit to CDOT a written explanation as to any questioned item of expense, hereinafter collectively referred to as the "**Response**". The Response shall be clearly stated and provide any supporting documentation necessary to resolve any disagreement or questioned item of expense. Where the documentation is

voluminous, Amtrak may supply appropriate excerpts and make alternate arrangements to make that documentation available conveniently and reasonably for review by CDOT. The Response shall refer to and apply the language of the Agreement.

(j) CDOT shall provide its reply to Amtrak's Response within one hundred twenty (120) days after the date of the Notice of Audit Results. Should the Parties not come to agreement on the final disposition of the audit findings within one hundred twenty (120) days after the date of the Notice of Audit Results, the issue shall be handled as provided in Section 8 of this Agreement.

(k) If the Notice of Audit Results is not accompanied by: (1) a copy of the full audit report, and (2) all supporting documentation related to the costs in question requested by Amtrak, or, should the Notice of Audit Results fail to (x) refer to and apply the specific language in this Agreement which supports such audit results, or (y) be provided to Amtrak for review within one hundred twenty (120) days from the written notice of audit results and tentative findings, then the audit will be deemed as closed and no further action will be required by Amtrak.

(l) Nothing in this Agreement shall be construed to limit the rights, obligations, authority, or responsibilities of Amtrak's Office of the Inspector General pursuant to the Inspector General Act of 1978, as amended, including the right to seek information by subpoena.

Section 11. No Funding Source Requirements

Except for the TIF-Eligible Costs requirements described in the Act, CDOT hereby represents and warrants to Amtrak that there are no other funding related requirements, whether federal, state, county or local, associated with CDOT's funding that apply to Amtrak. Amtrak shall be entitled to seek reimbursement from CDOT for the cost of any and all losses, liabilities, penalties, fines, forfeitures, demands, claims, causes of action, suits, costs (including cost of defense and attorney's fees), which Amtrak, its officers, directors, employees, agents, successors, assigns and subsidiaries may incur or be required to pay as a result of the breach of the foregoing representation and warranty. In addition, CDOT shall be responsible for performing any and all funding related requirements associated with CDOT's funding that apply to Amtrak and are not expressly set forth in this Agreement, even if those requirements would be read into this Agreement by applicable law, regulation, rule of construction or by operation of law.

Section 11. Indemnification

(a) Except for the City's own negligence or wrongful acts, Amtrak shall release, indemnify and hold harmless, to the maximum extent permitted by law, the City and its officials, employees and agents (the "**City Indemnitees**") from and against any and all claims, suits, liabilities, losses and damages, including court costs and attorneys' fees and expenses incidental thereto, arising out of or in connection with Amtrak's construction of the Project, and any failure of performance or negligent or wrongful performance by Amtrak, or any contractor or subcontractor for Amtrak, and their respective officers, agents or employees, in connection with the Projects, including, but not limited to, claims for damage to property, and/or injury to or death of any person or persons.

Section 12. Disputes

Any dispute regarding the interpretation or performance of this Agreement that cannot be resolved by the Parties informally within thirty (30) days after a written notice of a dispute is given by one Party to the other, shall, if not abandoned by the Party who gave the notice of dispute, be submitted by the Parties to binding arbitration to be conducted in accordance with the American Arbitration Association arbitration rules and procedures (unless otherwise mutually agreed upon by the Parties). In no event shall be arbitrator(s) be permitted to award punitive or exemplary damages.

Section 13. Entire Agreement

This Agreement, including **Exhibits A, B, C, D, E and F**, constitutes the entire Agreement between the Parties with respect to the PE/NEPA Work for the Platform and Ventilation Project and the Construction Work for the Mail Platform Project. There are no other agreements, whether expressed or implied. All prior agreements and understandings between them with respect to the PE/NEPA Work for the Platform and Ventilation Project and the Construction Work for the Mail Platform Project are subsumed within this Agreement. No change or modification in or to this Agreement shall be of any force or effect unless in writing, dated and executed by duly authorized representatives of the CDOT and Amtrak.

Section 14. Governing Law

This Agreement and the rights and obligations of the Parties hereto shall be governed by and construed in accordance with the laws of Illinois. All disputes, claims, or controversies arising out of or related to this Agreement shall only be brought in the United States District Court for the

Northern District of Illinois, located in Chicago, Illinois. The Parties hereby irrevocably submit to the exclusive jurisdiction of said court and waive any objection based on improper venue or forum non conveniens.

Section 15. Notices.

All notices required by, or pursuant to, this Agreement to Amtrak or CDOT shall be in writing (regardless of whether specified herein) and shall be deemed delivered: (a) upon personal delivery, (b) upon the expiration of three (3) days following mailing by first class U.S. mail, or (c) upon the next business day following mailing by a nationally recognized overnight carrier, to the parties at the addresses set forth below, or such other addresses as either party may designate by delivery of prior notice to the other party:

If to Amtrak:
National Railroad Passenger Corporation
_____
_____
Attention: _____

If to CDOT:
Chicago Department of Transportation
Division of Engineering
2 N. LaSalle St., Ste. 820
Chicago, IL 60602
Attn: Deputy Commissioner

With copy to:
National Railroad Passenger Corporation
1 Massachusetts Avenue, N.W.
Washington, DC 20001
Attention: General Counsel/CLO

With a copy to:
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602
Attention: Finance and Economic Development Division

Section 16. No Third-Party Beneficiaries

This Agreement shall not be construed to create any third-party beneficiaries under this Agreement and provides no right or claim to any party not a party to this Agreement to bring any claim for payment, damages, injunction or specific performance of this Agreement. This Agreement shall not be construed as creating any relationship between CDOT and any contractor retained by Amtrak or any subcontractor, material man or other party retained by Amtrak. Amtrak shall be responsible for all payments to such parties.

Section 17. Counterparts

This Agreement, and/or any amendment to it, may be executed in multiple counterparts, each of which shall be deemed an original document and all of which shall constitute one and the

same instrument. The counterparts of this Agreement, and/or any amendment to it, may be executed and delivered by PDF or other electronic signature by email transmission to the following email addresses: to Amtrak at Teresa.Fourcher@amtrak.com and to CDOT at grant.davis@cityofchicago.org, anne.zhang@cityofchicago.org, and craig.turner1@cityofchicago.org. The receiving Party may rely on the receipt of such document so executed and delivered electronically as if the original has been received. The Parties hereby waive any defenses to the enforcement of this Agreement, and/or any amendment to it, based on the form of the signature or delivery thereof and hereby agree that such electronically mailed or signed signatures shall be conclusive proof, admissible in arbitration and judicial proceedings, of the parties' execution of this Agreement and/or any amendment to it.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

CITY OF CHICAGO, acting by and through its **Department of Transportation**

By:_____
Craig Turner, Acting Commissioner

NATIONAL RAILROAD PASSENGER CORPORATION

By:_____

Name: _____

Title: _____

[(Sub)Exhibit "D" referred to in this Capital Funding Agreement between National Railroad Passenger Corporation and the City of Chicago Department of Transportation is printed on page 33381 of this *Journal*.]

(Sub)Exhibits "A", "B", "C" and "E" referred to in this Capital Funding Agreement between National Railroad Passenger Corporation and the City of Chicago Department of Transportation read as follows:

(Sub)Exhibit "A".
(To Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation)

Funding Sources For Initial Estimate Of PE/NEPA Work For Platform And Ventilation Project.

Entity	Amount	Percentage
FRA	$44,000,000	80.00%
Amtrak	$ 4,250,000	7.73%
CDOT	$ 1,750,000	3.18%
Cook County	$ 2,500,000	4.55%
Metra	$ 2,500,000	4.55%
Total:	$55,000,000	100.00%

(Sub)Exhibit "B".
(To Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation)

Funding Sources For Initial Estimate Of Construction Work For Mail Platform Project.

Entity	Amount	Percentage
FRA	$49,600,000	80.00%
Amtrak	$ 6,000,000	9.68%
CDOT	$ 2,900,000	4.68%
Cook County	$ 3,500,000	5.65%
Total:	$62,000,000	100.00%

(Sub)Exhibit "C".
(To Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation)

TIF-Eligible Costs.

Preliminary engineering costs.

Platform rehabilitation/reconstruction costs.

Ventilation costs.

Construction costs.

(Sub)Exhibit "E".
(To Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation)

Disbursement Requisition Form.

State of Illinois)
) SS.
County of Cook)

Amtrak hereby certifies that with respect to that certain Capital Funding Intergovernmental Agreement between Amtrak and the City of Chicago dated as of _____, 2025 (the "Agreement"):

A. Expenditures (final cost) for the Projects have been made in the total amount of:

$_____

B. This paragraph B sets forth and is a true and complete statement of all costs of TIF-Eligible Costs for the Projects expended by Amtrak and reimbursed by the City to date:

$_____

C. Amtrak requests reimbursement for the following TIF-Eligible Costs:

$_____

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

E. Amtrak hereby certifies to the City that, as of the date hereof:

(i) the total amount of the disbursement request herein represents the actual amount already expended by Amtrak for its own work or paid by Amtrak to the general contractor(s), subcontractors or other parties who have performed work on or otherwise provided goods or services in connection with the Projects;

(ii) the work being sought for reimbursement hereunder actually took place in the Project Work Area;

(iii) Amtrak has approved all work and materials for the disbursement request;

(iv) the work that is the subject of the disbursement request herein was performed in accordance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders at the time of its completion;

(v) the representations and warranties contained in the Agreement, including, but not limited to, the Employment Obligations of Section 9 of the Agreement, are true and correct and Amtrak is in compliance with all applicable covenants contained therein; and

(vi) Check this box if this is Amtrak's final Disbursement Request:

Amtrak hereby certifies to the City that the Projects were completed in compliance with this Agreement and that all subcontractor retainage related to the Project has been paid out.

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

National Railroad Passenger Corporation, a corporation organized under 49 USC Section 24101, et seq., and the laws of the District of Columbia ("Amtrak")

By: _____

Name: _____

Title: _____

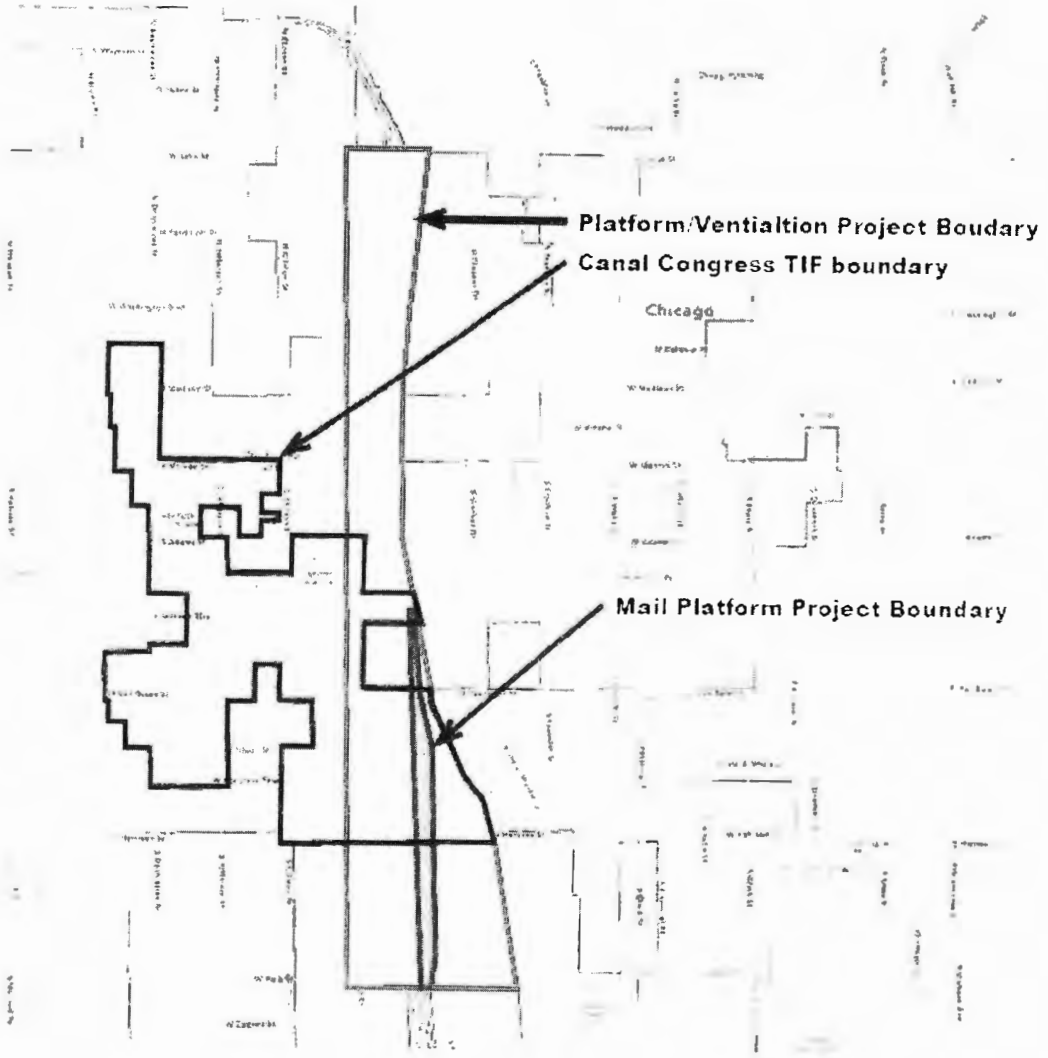
Subscribed and sworn before me this ____ day of _____, ____.

_____

My commission expires: _____

(Sub)Exhibit "D".
(To Capital Funding Agreement Between National Railroad Passenger Corporation And City Of Chicago Department Of Transportation)

Project Work Area.



AMENDMENT OF SUBSTITUTE ORDINANCE SO2025-0018149 TO REPEAL SECTION 2-44-140 OF MUNICIPAL CODE REGARDING DEBT AND LIEN WAIVER, RELEASE, OR ASSIGNMENT, AND RESTORE PREVIOUS PROVISION.

[O2025-0019916]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance amending substitute ordinance SO2025-0018149, which passed the City Council on July 16, 2025, to restore Section 2-44-140 of the Municipal Code regarding lien waiver assignments (O2025-0019916), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City Council passed Substitute Ordinance Number SO2025-0018149 on July 16, 2025; and

WHEREAS, Substitute Ordinance Number SO2025-0018149 includes a section that repeals and replaces Section 2-44-140 of the Municipal Code of Chicago; and

WHEREAS, Substitute Ordinance Number SO2025-0018149 is scheduled to take effect 10 days after its publication in the *Journal of the Proceedings of the City Council of the City of Chicago*; and

WHEREAS, The City Council has determined that Section 2-44-140 of the Municipal Code of Chicago should not be repealed and replaced; now, therefore,

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

SECTION 1. Section 1 of Substitute Ordinance Number SO2025-0018149, passed on July 16, 2025, is hereby repealed in its entirety.

SECTION 2. Section 2-44-140 of the Municipal Code of Chicago, as it existed immediately prior to the passage of Substitute Ordinance Number SO2025-0018149, is hereby restored in full force and effect.

SECTION 3. This ordinance shall take effect upon passage and approval and shall be deemed retroactive to the effective date of Substitute Ordinance Number SO2025-0018149, such that the provisions of Section 1 of Substitute Ordinance Number SO2025-0018149 shall not take effect.

ESTABLISHMENT OF 2026 QUALIFIED MORTGAGE CERTIFICATE PROGRAM IN CONTINUATION OF SINGLE-FAMILY MORTGAGE CREDIT CERTIFICATE PROGRAM (SERIES 2026).

[O2025-0019894]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred an ordinance approving the establishment of the 2026 Qualified Mortgage Certificate Program in the continuation of the

Single-Family Mortgage Credit Certificate Program, Series 2026 (O2025-0019894), in an amount not to exceed $75,000,000 Bond Volume Cap, having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, There exists within the borders of the City of Chicago (the "City") a recognized need for decent, safe, sanitary and well-structured and maintained housing which persons of moderate-income can afford; and

WHEREAS, The United States government has authorized several states and their political subdivisions to issue mortgage credit certificates (the "Certificates") pursuant to Section 25 of the Internal Revenue Code of 1986, as amended (the "Code"), which entitle qualifying individuals to a credit against their individual federal income tax, in lieu of qualified mortgage bonds as defined in Section 143(a) of the Code ("Qualified Mortgage Bonds"); and

WHEREAS, The City is a home rule unit under the provisions of Section 6 of Article VII of the 1970 Constitution of the State of Illinois, and constitutes a constitutional home rule city within the meaning of Section 146(d)(3)(C) of the Code; and in furtherance of its home rule powers, the City hereby finds and determines that it is necessary and desirable and will

provide for and promote the public health, safety and welfare of the citizens of the City to establish and implement a 2026 qualified mortgage credit certificate program and to issue Certificates in connection therewith (the "2026 Certificates"); and

WHEREAS, To provide for the issuance of the 2026 Certificates it is necessary for the City to authorize the issuance of one or more mortgage credit certificate elections of the City as more particularly described in Section 6 hereof (each, a "2026 Election") and to authorize the publication of a public notice relative to the issuance of the 2026 Certificates; now, therefore,

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

SECTION 1. Recitals. The above recitals are incorporated herein and made a part hereof by reference.

SECTION 2. Declaration Of Public Purpose. It is hereby determined that the purpose of this ordinance is to take steps designed to reduce the cost of financing for the acquisition, rehabilitation or improvement of principal residence housing located in the City, and to provide decent, safe and sanitary housing for qualifying persons of moderate-income. It is further hereby determined that such principal residence ownership, rehabilitation and improvement will provide for and promote the public health, safety, morals and welfare; maintain and foster the increase of industrial and commercial activity and economic development; and preserve and increase the ad valorem tax base of the City and its environs. The foregoing are hereby declared and determined to be public purposes and functions pertaining to the government and affairs of the City.

SECTION 3. Establishment Of 2026 Qualified Mortgage Certificate Program.

(a) There is hereby established and implemented a qualified mortgage credit certificate program under Section 25 of the Code and the Treasury Regulations promulgated thereunder (the "Program Regulations") to be known as the City of Chicago Single-Family Mortgage Credit Certificate Program, Series 2026 (the "2026 Program") for the purpose of issuing 2026 Certificates. The 2026 Certificates shall be issued to taxpayers qualified to receive Certificates ("2026 Borrowers") in connection with the acquisition, rehabilitation or improvement of each 2026 Borrower's principal residence housing within the incorporated area of the City (the "Program Area").

(b) The 2026 Certificates shall carry (1) a Certificate Credit Rate (as defined in the Program Regulations) which Certificate Credit Rate shall be not less than 10 percent nor more than 50 percent and (2) a Certified Indebtedness Amount (as defined in Section 25(b) of the Code) specified in each 2026 Certificate. The 2026 Program shall be administered by the City Department of Housing (the "Department"), its successors and assigns. The City's Commissioner of Housing (the "Commissioner") shall establish the actual Certificate Credit Rate from time to time, provided that the Certificate Credit Rate shall not be less than 10 percent nor greater than 50 percent. The 2026 Program shall have such other terms and conditions as determined by the Commissioner, subject to this ordinance, and all in accordance with Section 25 of the Code and the Program Regulations.

(c) With respect to the 2026 Program, the City hereby elects not to issue Qualified Mortgage Bonds in an aggregate principal amount not to exceed $75,000,000 that are otherwise authorized to be issued by the City during calendar year 2026, pursuant to Sections 103, 143(a) and 146 of the Code and the Treasury Regulations promulgated thereunder (the "Unissued Bonds"). The amount of Unissued Bonds shall be specified in one or more 2026 Elections.

(d) There is hereby allocated to the Unissued Bonds an amount of the City's unused volume cap (as described in Section 146 of the Code) not exceeding $75,000,000 and as shall be specified in the 2026 Election(s) (the "Unused Cap").

(e) The Commissioner is directed to file timely, or to cause the timely filing of, all reports as are or may be required by Section 25 of the Code and the Program Regulations in connection with the 2026 Program.

(f) The 2026 Certificates authorized herein shall be provided in the manner, amounts and time frames as are required by the Program Regulations in connection with owner-financed residences within the Program Area.

SECTION 4. Aggregate Limit Of Certificates. The Total Proceeds (as defined in the Program Regulations) of the 2026 Certificates shall not exceed 25 percent of the principal amount of Unissued Bonds specified in the 2026 Elections. Total Proceeds shall be determined as provided in the Program Regulations.

SECTION 5. Certificates. For the purpose of lowering borrowing costs for 2026 Borrowers, there is hereby authorized to be issued, executed and delivered pursuant to this ordinance, 2026 Certificates, the Total Proceeds of which shall be limited as provided in Section 4 hereof. The 2026 Certificates shall be designated "City of Chicago, Single-Family Mortgage Credit Certificates, Series 2026". The 2026 Certificates shall be executed by the manual or facsimile signature of the Mayor and the City Clerk of the City, and the seal of the City or a facsimile thereof shall be affixed thereto or printed thereon. The 2026 Certificates shall be countersigned by the manual signature of the Commissioner or her designee in writing.

The form of the 2026 Certificates shall be that prescribed by the Internal Revenue Service. If no form is prescribed or if such form is not readily available, the 2026 Certificates shall be issued in the form prepared by the Department. The 2026 Certificates shall contain the information required by the Program Regulations and such other information as the Commissioner may deem necessary.

SECTION 6. Mortgage Credit Certificate Election. The 2026 Elections, each in substantially the form used in prior mortgage credit certificate programs administered by the Department, are hereby approved in all respects. One or more 2026 Elections may be issued as shall be determined by the Commissioner in accordance with the best interests of the City and with the requirements of Section 25 of the Code and the Program Regulations. The cumulative principal amount of Unissued Bonds shall be $75,000,000 or such lesser amount as will be set forth in the initial and subsequent

2026 Elections as executed by the mayor, his execution thereof to constitute conclusive evidence of this City Council's approval of such (cumulative) lesser amount. The Mayor is hereby authorized to execute, deliver and file the 2026 Elections on behalf of the City with the Internal Revenue Service in substantially the form used in prior mortgage credit certificate programs administered by the Department, with such changes therein as shall be approved by the Mayor, his execution thereof to constitute conclusive evidence of the approval of such changes.

SECTION 7. Public Notice. The Commissioner is hereby authorized to publish a public notice with respect to the 2026 Program in conformity with the provisions of Section 25 of the Code and the Program Regulations. The public notice shall be in a form approved by the Commissioner and the Corporation Counsel and may be published prior to filing the first 2026 Election.

SECTION 8. Program Restrictions. Except as permitted by the Program Regulations: (i) no 2026 Certificates shall be issued with regard to any residence financed in whole or in part through the proceeds of Qualified Mortgage Bonds, Qualified Veterans' Mortgage Bonds (as defined in Section 143(b) of the Code) or other private activity bonds; (ii) the 2026 Program shall not be limited to indebtedness incurred from particular lenders; (iii) 2026 Certificates shall not be transferable; and (iv) no block of 2026 Certificates may be allocated for use in connection with a particular development unless the developer shall certify that the price of each residence is no higher than it would be without the use of the 2026 Certificate. During the first year following each 2026 Election, at least 20 percent of the related 2026 Certificates shall be made available to 2026 Borrowers incurring loans relating to residences in targeted areas of the City (as defined in Section 143(j)(1) of the Code).

SECTION 9. Administration Of Program. Subject to the approval of the Corporation Counsel, the Commissioner is authorized to execute Lender Participation Agreements ("Lender Participation Agreements") in substantially the form used in prior mortgage credit certificate programs administered by the City, and other agreements, certificates and documents as may be required for the 2026 Program and the 2026 Certificates to comply with Section 25 of the Code and the Program Regulations. The Commissioner may permit each Lender identified in the respective Lender Participation Agreement to charge and collect from an applicant a fee (the "Program Fee") of not less than $225 and not more than $375 in connection with each 2026 Certificate. Of the Program Fee, up to $150 may be retained by the Lender (or, at the option of such Lender, such amount may be waived) and $225 shall be remitted to the City by the Lender upon the issuance of the 2026 Certificate. The Program Fee shall be in addition to reasonable and customary fees which may be charged by a Lender in connection with a mortgage loan. All Program Fees received by the City are hereby appropriated to pay the costs of implementing and administering the 2026 Program including, but not limited to, the costs of training participating lenders, purchasing equipment, printing materials, marketing and other customer service activities. The Commissioner is authorized to charge each 2026 Borrower up to $100 to replace or reissue a 2026 Certificate for any cause including, without limitation, due to being lost or misplaced, being damaged, a refinance of the existing mortgage or any other reason allowed by the Code or the Program Regulations.

SECTION 10. Approval Of Further Actions. From and after the execution and delivery of the documents hereby approved, the proper officials, agents and employees of the City (including, without limitation, the Mayor, the City Clerk, the Commissioner, the Chief Financial Officer of the City and the City Comptroller) are hereby authorized and empowered to do all such acts and things and to execute and file all such documents as may be necessary to carry out and comply with the provisions of said documents as executed, and to further the purposes and intent of this ordinance, including the preambles hereto. All acts and doings of the officials which are in conformity with the purposes and intent of this ordinance and in furtherance of the issuance of the 2026 Certificates and the establishment of the 2026 Program are hereby in all respects approved and confirmed.

SECTION 11. Ordinances And Resolutions. To the extent that any ordinance, resolution, rule, order or provisions of the Municipal Code of Chicago (the "Municipal Code"), or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this ordinance or the instruments, documents or agreements authorized hereby; provided further, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code. The documents, instruments and agreement authorized hereunder shall not be deemed to be "city contracts" for purposes of Section 11-4-1600(e) of the Municipal Code. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance. The applicable restrictions with respect to maximum income of 2026 Borrowers and maximum acquisition cost of principal residence housing of 2026 Borrowers imposed by the Code and the Program Regulations shall control, notwithstanding any other restrictions with respect to such maximum income and maximum acquisition cost imposed by other local law.

SECTION 12. Effective Date. This ordinance shall be effective upon its passage and approval.

SETTLEMENT AGREEMENT REGARDING CASE OF *WILLIAM BELL V. OFFICER MATTHEW PATRUNO AND CITY OF CHICAGO.*

[Or2025-0020278]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following

case: *William Bell v. Officer Matthew Patruno and the City of Chicago,* cited as Case Number 20 C 3740 (Or2025-0020278), in the amount of $185,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with Alderpersons Lopez and Quinn dissenting on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Gutiérrez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 45.

Nays -- Alderpersons Quinn, Lopez -- 2.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *William Bell v. Officer Matthew Patruno and the City of Chicago,* cited as Case Number 20 C 3740, in the amount of $185,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *FRANCISCO BENITEZ V. JEROME BOGUCKI, ET AL.*

[Or2025-0020284]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Francisco Benitez v. Jerome Bogucki, et al.,* cited as Case Number 23 CV 16896 (Or2025-0020284), in the amount of $18,500,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Francisco Benitez v. Jerome Bogucki, et al.,* cited as Case Number 23 CV 16896, in the amount of $18,500,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *BLACKMON V. CITY OF CHICAGO, ET AL.*

[Or2025-0020282]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Blackmon v. the City of Chicago, et al.,* cited as Case Number 19 cv 00767 (N.D. Ill) (Or2025-0020282), in the amount of $8,000,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with Alderperson O'Shea dissenting on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 46

Nays -- Alderperson O'Shea -- 1.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Blackmon v. the City of Chicago, et al.,* cited as Case Number 19 cv 00767 (N.D. Ill.), in the amount of $8,000,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *GEORGE GARCIA; KYMBERLY BLEVINS, FOR HERSELF AND ON BEHALF OF HER MINOR CHILDREN, G. GARCIA AND K. GARCIA; AND MICHAEL ZASTRO V. CITY OF CHICAGO AND CHICAGO POLICE OFFICER SERGIO MARTINEZ AND POLICE OFFICER GUY D. HABIAK.*

[Or2025-0020280]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *George Garcia; Kymberly Blevins, for herself and on behalf of her minor children, G. Garcia and K. Garcia; and Michael Zastro V. the City of Chicago; Officer Sergio Martinez (Star Number 19512); And Officer Guy D. Habiak (Star Number 19513),* cited as Case Number 21 CV 2850 (Or2025-0020280), in the amount of $240,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *George Garcia; Kymberly Blevins, for herself and on behalf of her minor children, G. Garcia and K. Garcia; and Michael Zastro V. the City of Chicago; Officer Sergio Martinez (Star Number 19512); and Officer Guy D. Habiak (Star Number 19513),* cited as Case Number 21 CV 2850, in the amount of $240,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *SHANTINA LEE AS SPECIAL REPRESENTATIVE OF ESTATES OF ADELBERT WILSON AND YVONNE LEE-WILSON V. CITY OF CHICAGO, OFFICER WAYNE OZMINA, OFFICER JONATHAN KUKIELKA AND HERTZ CORPORATION.*

[Or2025-0020275]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Shantina Lee as Special Representative of the Estates of Adelbert Wilson and Yvonne Lee-Wilson v. the City of Chicago, Officer Wayne Ozmina, Officer Jonathan Kukielka and the Hertz Corporation,* cited as Case Number 22 L 3091 (Or2025-0020275), in the amount of $7,500,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 45.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

Alderperson Beale recused himself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as he has a personal relationship with the Wilson Family.

Alderperson Harris recused herself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as she has a personal relationship with the Wilson Family.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Shantina Lee as Special Representative of the Estates of Adelbert Wilson and Yvonne Lee-Wilson v. the City of Chicago, Officer Wayne Ozmina, Officer Jonathan Kukielka and the Hertz Corporation,* cited as Case Number 22 L 3091, in the amount of $7,500,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *SHARON LYONS V. CITY OF CHICAGO.*

[Or2025-0020281]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Sharon Lyons v. the City of Chicago,* cited as Case Number 20 CV 3412 (Or2025-0020281), in the amount of $400,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with Alderpersons Lopez and Quinn dissenting on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Gutiérrez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 45.

Nays -- Alderpersons Quinn, Lopez -- 2.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Sharon Lyons v. the City of Chicago,* cited as Case Number 20 CV 3412, in the amount of $400,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *FRANKLIN PAZ V. CITY OF CHICAGO.*

[Or2025-0020274]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Franklin Paz v. City of Chicago,* cited as Case Number 2021 L 000514 (Or2025-0020274), in the amount of $950,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Quezada, Mitts, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 43.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

Alderperson Conway recused himself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as he worked with Deputy Chief Michael Barz while employed at the State's Attorney's office.

Alderperson Lopez recused himself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as he has a personal relationship with the plaintiff, Franklin Paz.

Alderperson Sposato recused himself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as he has a personal relationship with Deputy Chief Michael Barz.

Alderperson Gardiner recused himself from voting on this matter pursuant to Rule 14 of the City Council Rules of Order and Procedure as he has a personal relationship with Deputy Chief Michael Barz.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Franklin Paz v. the City of Chicago,* cited as Case Number 2021 L 000514, in the amount of $950,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *VICTORIA CANDACE POWELL AS SPECIAL ADMINISTRATOR OF ESTATE OF MARIO WINTERS V. CITY OF CHICAGO.*

[Or2025-0020273]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Victoria Candace Powell as Special Administrator of the Estate of Mario Winters v. City of Chicago,* cited as Case Number 20 L 7622 (Or2025-0020273), in the amount of $615,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with Alderpersons Lopez, Quinn, Moore, Curtis, Cardona, Sposato and Reilly dissenting on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Gutiérrez, Coleman, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Nugent, Vasquez, Napolitano, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 41.

Nays -- Alderpersons Quinn, Lopez, Moore, Curtis, Cardona, Sposato, Reilly -- 7.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Victoria Candace Powell as Special Administrator of the Estate of Mario Winters v. the City of Chicago,* cited as Case Number 20 L 7622, in the amount of $615,000.

SETTLEMENT AGREEMENT REGARDING CASE OF *SYLVIA TANGUMA AS INDEPENDENT ADMINISTRATOR OF ESTATE OF LEONARDO GUERRERO, DECEASED V. CITY OF CHICAGO, DAKOTA IBRAHIM AND JOSEPH SCHULTZ.*
[Or2025-0020277]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a proposed order authorizing the Corporation Counsel to enter into and execute a settlement order for the following case: *Sylvia Tanguma as Independent Administrator of the Estate of Leonardo Guerrero, deceased v. the City of Chicago, Dakota Ibrahim and Joseph Schultz,* cited as Case Number 2023 L 006466 (Or2025-0020277), in the amount of $8,000,000, having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with Alderpersons Conway, Quinn and Lopez dissenting on October 15, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Gutiérrez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 44.

Nays -- Alderpersons Quinn, Lopez, Conway -- 3.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the Corporation Counsel is hereby authorized and directed to enter into and execute a settlement agreement in the following matter: *Sylvia Tanguma as Independent Administrator of the Estate of Leonardo Guerrero, deceased v. the City of Chicago, Dakota Ibrahim and Joseph Schultz,* cited as Case Number 2023 L 006466, in the amount of $8,000,000.

PAYMENT OF MISCELLANEOUS REFUNDS, COMPENSATION FOR PROPERTY DAMAGE, ET CETERA.

[SOr2025-0020270]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, small claims division, to which was referred a substitute order for payments of various small claims against the City of Chicago (SOr2025-0020270), having the same under advisement, begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute order transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the said proposed substitute order transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said order as passed:

Ordered, That the City Comptroller is authorized and directed to pay the following named claimants the respective amounts set opposite their names, said amount to be paid in full and final settlement of each claim on the date and location by type of claim as follows:

[List of claimants printed on page 33401 of this *Journal*.]

City Of Chicago

Journal Report for City Council GL Claims

Last Name	First Name	Address	City	State	Zip Code	DOL	Total Paid	Payee	Location of Accident
Claimant Type Desc: Vehicle(8)									
AGUADO	PATRICIA		CHICAGO	IL	60651	06/06/2025	$2,100.00	Claimant	325 S ABERDEEN
AUGUST	BRETT		CHICAGO	IL	60614	01/13/2025	$158.60	DEPARTMENT OF REVENUE	999 MICHIGAN AVE.
AUGUST	BRETT		CHICAGO	IL	60614	01/13/2025	$102.00	Claimant	999 MICHIGAN AVE.
BARONE	MICHELLE		ROSEMONT	IL	60018	06/12/2025	$119.29	Claimant	5900 N EAST RIVER ROAD
BRAY	ARIANA		CHICAGO	IL	60618	05/11/2024	$83.87	Claimant	2007 W CONGRESS PKWY
CARTER	DOROTHY		CHICAGO	IL	60630	11/02/2024	$145.50	DEPARTMENT OF REVENUE	4512 N. CENTRAL AVE.
GUACHICHULCA	EDWIN		CHICAGO	IL	60634	02/17/2025	$40.00	DEPARTMENT OF REVENUE	6326 W. FULLERTON AVE.
HALUCZAK	RONALD		ST CHARLES	IL	60174	09/19/2024	$452.00	Claimant	1500 N DUSBALE LAKE
HARDISON	HANNAH		CHICAGO	IL	60614	06/14/2025	$242.23	Claimant	2707 N. LINCOLN AVE.
KINSELLA	WILLIAM		CHICAGO	IL	60630	05/06/2025	$247.97	Claimant	4354 N. KILBOURN AVE.
LEONG	KING		CHICAGO	IL	60657	05/21/2025	$193.67	Claimant	2526 N. WESTERN AVE.
LULLA	ARAM		CHICAGO	IL	60614	05/06/2025	$152.00	Claimant	1049 W. NORTH AVE
MACKLIN	ERMA		CHICAGO	IL	60655	03/24/2025	$2,024.80	Claimant	1430 W. 105TH ST.
MORALES	EDWIN		CHICAGO	IL	60644	05/15/2025	$1,027.58	Claimant	1517 W TAYLOR STREET
PORTO	ARTHUR		CHICAGO	IL	60661	04/28/2025	$118.03	Claimant	1540 N. GREENVIEW AVE.
RYAN	TIMOTHY		CHICAGO	IL	60630	05/06/2025	$377.58	Claimant	5128 W AINSLIE STREET
SCHULTZ	DANYEL		WOODRIDGE	IL	60517	06/21/2025	$53.34	Claimant	423 N. SACRAMENTO
SIMUNOVIC	NEVENA		BERWYN	IL	60402	05/29/2025	$41.22	Claimant	2800 N. LAKE SHORE
WARD	JASON		CHICAGO	IL	60601	07/03/2025	$764.89	Claimant	103 E. GOETHE ST.

	Number	Amount
Total of Split Claims:	19	$8,444.57

	Number	Amount
Total of Split Claims:	19	$8,444.57

Do Not Pass -- CLAIMS FOR VARIOUS REFUNDS.

[SCL2025-0020271]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, small claims division, to which was referred sundry claims for various refunds (SCL2025-0020271), having the same under advisement, begs leave to report and recommend that Your Honorable Body *Do Not Pass* the said substitute claims for payment.

This recommendation was concurred in by a vote of the members of the committee, with no dissenting votes, on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the committee's recommendation was *Concurred In* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

[List of denied claimants printed on page 33403 of this *Journal*.]

City Of Chicago

Denied Claims by Claim Name

Denied Date: 10/16/2025

Claimant Name	Claimant Address	Incident Date	Introduced to City Council	Claim Number	Denial Reason
ABERCRUMBIE, ANISHA		3/15/25 12:00 AM	09/25/2025	2025371631	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
ALINEZHAD, ALI		7/17/25 12:00 AM	09/25/2025	2025371646	IDOT
CARTER, DANIA S.		5/15/25 12:00 AM	09/25/2025	2025371633	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
CHANEY, LAWANDA J.		1/1/99 12:00 AM	09/25/2025	1999371613	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
DE MARCO, MAE		7/3/25 12:00 AM		2025371626	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
DUNN, ALEXA		7/9/25 12:00 AM		2025371624	DUPLICATE CLAIM #2025371609
EDWARDS, ROBERT		5/15/25 12:00 AM	09/25/2025	2025371632	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
EPSTEIN, IRA		7/15/24 12:00 AM	09/25/2025	2024371622	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
FLEMING III, EARL T.		5/24/25 12:00 AM	07/16/2025	2025371567	LOCATION INCIDENT NOT WITHIN CITY LIMITS, DES PLAINES IL.
FORD, KEVIN ANTHONY		11/4/23 12:00 AM	09/25/2025	2023371650	STATUTE OF LIMITATIONS FOR FILING CLAIM HAS EXPIRED
GEICO A/S/O MURPHY, RACHEL		7/29/24 12:00 AM	09/25/2025	2024371608	PLEASE CONTACT: CTA (CHICAGO TRANSIT AUTHORITY) - (312)
GEICO ASO MURPHY, RACHEL		7/29/25 12:00 AM		2025371621	FILE CLAIM WITH CTA PH: 312-681-3095
GOCIMAN, FLORICA C		8/20/25 12:00 AM		2025371618	FILE CLAIM WITH CTA PH: 312-681-3095
JONES, LARKIN POA TERRY L		7/25/25 12:00 AM		2025371616	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
KASTEIN, NICHOLAS		11/19/24 12:00 AM		2024371628	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
KLINGER, SYLVIA		6/7/25 12:00 AM	09/25/2025	2025371617	PLEASE FILE WITH ILLINOIS DEPARTMENT OF
LIU, XI		7/24/25 12:00 AM	09/25/2025	2025371637	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
MARTINEZ, ENA		7/24/25 12:00 AM		2025371615	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
MOHHAMED, AZAM		7/16/25 12:00 AM	09/25/2025	2025371611	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
NG, AUSTIN S.		8/1/25 12:00 AM	09/25/2025	2025371644	TORT LIABILITY
OKOCHA, BENEDICT I		10/25/24 12:00 AM		2024371630	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
ORTEGA, MARIA D.		1/10/25 12:00 AM	06/18/2025	2025371476	THIS APPEARS TO BE A CIVIL MATTER BETWEEN A LANDLORD
PAUL, EARL A.		5/20/25 12:00 AM	09/25/2025	2025371643	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
ROLAND, JEAN A.		8/20/25 12:00 AM	09/25/2025	2025371634	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
ROSS, DIONTE R		6/11/25 12:00 AM		2025371619	NON-RELATED ACCIDENT INVOLVING ANY CITY VEHICLES
SACCARO, RACHEL A		6/29/25 12:00 AM		2025371623	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
SAKARYA, ISMAIL		7/16/25 12:00 AM	09/25/2025	2025371625	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
SEBASTIAN, DONNA E.		12/17/24 12:00 AM	09/25/2025	2024371627	VEHICLE IN CLAIM WAS TOWED AND IMPOUNDED BY THE 3RD
SIMS, DA RON R.		5/15/25 12:00 AM	09/25/2025	2025371636	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
SUBROCLAIMS O/B/O GEICO A/S/O		8/29/24 12:00 AM	09/25/2025	2024371629	PLEASE CONTACT: CTA (CHICAGO TRANSIT AUTHORITY) - (312)
TEGTMEIER, MATTHEW E.		8/13/25 12:00 AM	09/25/2025	2025371638	PLEASE FILE WITH ILLINOIS DEPARTMENT OF
WARD, GINA		7/25/25 12:00 AM		2025371620	THE DAMAGE IN THE CLAIM WAS NOT A RESULT OF TREE
WILLIAM JR., ANTUAN L.		6/18/25 12:00 AM	09/25/2025	2025371648	PLEASE FILE WITH: ILLINOIS DEPARTMENT OF
YOO, ICHAN D.		6/29/25 12:00 AM	09/25/2025	2025371612	VEHICLE IN CLAIM WAS TOWED AND IMPOUNDED BY THE 3RD
YOUNG, ARINNIE		7/23/25 12:00 AM	09/25/2025	2025371642	OVER $2,500.00.

Placed On File -- VERDICTS, JUDGMENTS AND SETTLEMENT REPORTS FOR MONTHS OF JUNE, JULY AND AUGUST 2025.

[F2025-0020269]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was submitted a communication transmitting revised reports of cases in which verdicts, judgments or settlements were entered into for the months of June through August 2025 (F2025-0020269), having the same under advisement, begs leave to report and recommend that Your Honorable Body *Place on File* the communication transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the committee's recommendation was *Concurred In* and said list of cases and reports were *Placed on File.*

Placed On File -- VERDICTS, JUDGMENTS AND SETTLEMENT REPORTS FOR MONTH OF SEPTEMBER 2025.

[F2025-0020268]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was submitted a communication transmitting reports of cases in which verdicts, judgments or settlements were entered into for the month of September 2025 (F2025-0020268), having the same under advisement, begs leave to report and recommend that Your Honorable Body *Place on File* the communication transmitted herewith.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the committee's recommendation was *Concurred In* and said list of cases and reports were *Placed on File.*

Re-Referred -- CALL FOR HEARINGS TO EXAMINE CITY'S METHOD FOR DETERMINING SETTLEMENT BUDGETS AND HOW CHICAGO POLICE DEPARTMENT IS ADDRESSING TRENDS TO PREVENT FUTURE MISCONDUCT.
[R2025-0019957]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a resolution calling for hearings to examine the city's method for determining settlement budgets and how the

Chicago Police Department is addressing the trends to prevent future misconduct (R2025-0019957), introduced by Alderperson Andre Vasquez (40th Ward), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Re-Refer* the proposed resolution transmitted herewith to a Joint Committee comprised of the members of the Committee on Police and Fire and the members of the Committee on Finance.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the committee's recommendation was *Concurred In* and the said proposed resolution transmitted with the foregoing committee report was *Re-Referred to a Joint Committee comprised of the members of the Committee on Police and Fire and the members of the Committee on Finance* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

Re-Referred -- CALL ON ILLINOIS GENERAL ASSEMBLY TO ENACT LEGISLATION TO AUTHORIZE CITY OF CHICAGO TO RE-AMORTIZE ITS PUBLIC PENSION DEBT AS PART OF COMPREHENSIVE PENSION REFINANCING STRATEGY.
[R2025-0019796]

The Committee on Finance submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Finance, to which was referred a resolution calling on the Illinois General Assembly to enact legislation to authorize the City for re-amortization of the Public Pension Debt as part of a comprehensive pension refinancing strategy (R2025-0019796), introduced by Alderperson Gilbert Villegas (36th Ward) and Alderperson Anthony Napolitano (41st Ward), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Re-Refer* the proposed resolution transmitted herewith to a Joint Committee comprised of the members of the Committee on Workforce Development and the members of the Committee on Finance.

This recommendation was concurred in by a voice vote of the members of the committee present, with no dissenting votes on October 9, 2025.

Respectfully submitted,

(Signed) PAT DOWELL,
Chair.

On motion of Alderperson Dowell, the committee's recommendation was *Concurred In* and the said proposed resolution transmitted with the foregoing committee report was *Re-Referred to a Joint Committee comprised of the members of the Committee on Workforce Development and the members of the Committee on Finance* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

COMMITTEE ON AVIATION.

EXECUTION OF RENEWED INTERGOVERNMENTAL AGREEMENT WITH O'HARE NOISE COMPATIBILITY COMMISSION FOR NOISE COMPATIBILITY PROJECTS AT CHICAGO O'HARE INTERNATIONAL AIRPORT AND CHICAGO TRACON BOUNDARY.

[O2025-0020017]

The Committee on Aviation submitted the following report:

CHICAGO, October 14, 2025.

To the President and Members of the City Council:

Your Committee on Aviation, for which a meeting was held on October 14, 2025, at 12:30 P.M., recommends to *Pass* the ordinance regarding an intergovernmental agreement with the O'Hare Noise Compatibility Commission for Noise Compatibility Projects at Chicago O'Hare International Airport (ORD) and the Chicago TRACON Boundary (C90), introduced by the Honorable Brandon Johnson, Mayor, on September 25, 2025 (O2025-0020017).

This recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) MATTHEW J. O'SHEA,
Chair.

On motion of Alderperson O'Shea, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule municipality pursuant to Section 6 of Article VII of the 1970 Illinois Constitution (the "Illinois Constitution") and, as such, may exercise any power and perform any function related to its government and affairs; and

WHEREAS, The City owns and operates an airport known as Chicago O'Hare International Airport ("O'Hare"); and

WHEREAS, Pursuant to authority granted by: (a) an ordinance adopted by this City Council on July 10, 1996, and published in the *Journal of the Proceedings of the City Council of the City of Chicago,* Illinois (the "*Journal*") of such date at pages 24918 -- 24932, as repealed and amended by an ordinance adopted on October 30, 1996, and published in the *Journal* of such date at pages 31189 -- 31198, as further amended by an ordinance adopted on June 8, 2005, and published in the *Journal* of such date at pages 49854 -- 49856, as further amended by Ordinance Number O2010-3886 adopted on September 8, 2010, and published in the *Journal* of such date at pages 99104 -- 99116, as further amended by Ordinance Number O2010-6949 adopted on January 13, 2011, and published in the *Journal* of such date at pages 110759 -- 110772, as further amended by Ordinance Number O2014-5870 adopted on September 10, 2014, and published in the *Journal* of such date at pages 87841 -- 87853, as further amended by Ordinance Number O2015-7370 adopted on November 18, 2015, and published in the *Journal* of such date at pages 13604 -- 13617; (b) Section 10 of Article VII of the Illinois Constitution; and (c) the Intergovernmental Cooperation Act (5 ILCS 220/1, et seq.), the City entered into an intergovernmental agreement relating to the O'Hare Noise Compatibility Commission (the "Agreement") by and among the City and various municipalities, Cook County, DuPage County, and public school districts; and

WHEREAS, The O'Hare Noise Compatibility Commission (the "O'Hare Commission") was established pursuant to the Agreement and provides a common forum for interested parties to have a voice in the aircraft noise issues related to O'Hare; and

WHEREAS, The City desires to amend the Agreement and extend the term for five additional years; now, therefore,

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of this City Council and are hereby incorporated in this ordinance by this reference.

SECTION 2. The Commissioner of the Chicago Department of Aviation (the "Commissioner") is hereby authorized to execute an amendment to the Agreement substantially in the form attached hereto as Exhibit A (the "Amended Agreement"), and to execute any and all instruments and take such additional actions which the Commissioner determines to be necessary or desirable to implement the terms of the

Amended Agreement. The Amended Agreement shall become effective upon passage and approval of this ordinance and upon associated approval of the Amended Agreement as specified in Section 7.H. of the Amended Agreement.

SECTION 3. The Commissioner shall provide notice of the amendments to the Agreement proposed by this ordinance to each Member of the O'Hare Commission as provided in Section 7.H. of the Amended Agreement.

SECTION 4. To the extent that any ordinance, resolution, rule, order, or provision of the Municipal Code of Chicago, or any part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall be controlling. If any section, paragraph, clause, or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be effective immediately upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

Intergovernmental Agreement Relating To O'Hare Noise Compatibility Commission.

This agreement, effective January 1, 2026, succeeds the previous agreement that was approved by the Chicago City Council and which went into effect on January 1, 2021, which expires under its own terms on December 31, 2025. It is entered into by the City of Chicago, a municipality and home rule unit of government under the Illinois Constitution of 1970, by and through the Chicago Department of Aviation, and the undersigned members, organized under the laws of the State of Illinois. In consideration of the mutual agreements contained in this Agreement, the City of Chicago and each member agree as follows below:

Section 1.

Establishment Of O'Hare Commission; Purposes.

The O'Hare Noise Compatibility Commission ("O'Hare Commission") is hereby established pursuant to Section 10 of Article VII of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act. The purposes of the O'Hare Commission are to:

(a) determine certain Noise Compatibility Projects and Noise Compatibility Programs to be implemented in the O'Hare Commission Area; (b) oversee an effective and impartial noise monitoring system; (c) advise the City of Chicago concerning O'Hare-related noise issues; and (d) provide a forum for direct citizen engagement.

Section 2.

Definitions.

Whenever used in this Agreement, the following terms shall have the following meanings listed below.

"Advisory Member" means an authorized representative of a non-governmental entity or group located in the O'Hare Commission Area who shall serve as a special Advisory Member of the O'Hare Commission as provided in Section 3.D. of this Agreement, but who shall have no voting powers on the O'Hare Commission and shall not be parties to the Agreement.

"Alternate" means a Designee's substitute.

"Chicago TRACON Boundary" means the area depicted in Appendix B.

"City" means the City of Chicago. The Commissioner of Aviation or his or her Alternate (or any successor thereto) shall have the sole authority to undertake the City of Chicago's obligations and responsibilities under this Agreement, and the City shall act by and through the Commissioner of Aviation or his or her Alternate (or any successor thereto) for purposes of this Agreement, except as otherwise set forth in this Agreement.

"Designee" means a Member's chief elected officer for a municipality other than the City, the Commissioner of Aviation for the City, chief elected officer for a county or the superintendent or chief executive for a school district.

"FAA" means the Federal Aviation Administration or any successor agency.

"Member" means, at any time, each city, village, public school district or county located in the O'Hare Commission Area that has executed a counterpart of this Agreement on the basis set forth in this Agreement, other than the City. In addition, "Member" shall include Wards 36, 38, 39, 40, 41 and 45 of the City of Chicago ("Chicago Ward Members") as set forth in Section 3.B.(iii) of this Agreement, who shall be eligible to participate as individual Members on the O'Hare Commission upon approval and execution of this Agreement by the City.

"Noise Compatibility Programs" means programs, including but not limited to the Residential Sound Insulation Program and the School Sound Insulation Program, which address aircraft noise concerns in the O'Hare Commission Area as determined by the O'Hare Commission in cooperation with the City.

"Noise Compatibility Projects" means the noise compatibility projects (including administrative costs) in the O'Hare Commission Area which are eligible for funding based on FAA regulations and grant assurances, which have been identified as eligible for participation in Noise Compatibility Programs as determined by the O'Hare Commission in cooperation with the City based on criteria adopted by the O'Hare Commission, and for which there is available funding. Noise Compatibility Projects include, but are not limited to the sound insulation of homes and schools and/or providing the funding for such sound insulation to be implemented. Participation in a Noise Compatibility Program or receipt of a Noise Compatibility Project shall be voluntary on the part of the relevant property owner.

"O'Hare" means Chicago O'Hare International Airport.

"O'Hare Commission Area" means the Illinois area within the Chicago TRACON Boundary with an interest in O'Hare-related aircraft noise issues, which area includes, but is not limited to, the following municipalities, counties (which shall represent their respective residents in unincorporated areas), and public school districts: (i) the City of Chicago, Addison, Arlington Heights, Bartlett, Bensenville, Bloomingdale, Des Plaines, Elmhurst, Elmwood Park, Franklin Park, Glenview, Hanover Park, Harwood Heights, Hoffman Estates, Itasca, Lincolnwood, Melrose Park, Mount Prospect, Niles, Norridge, Northlake, Palatine, Park Ridge, River Forest, River Grove, Rolling Meadows, Rosemont, Schaumburg, Schiller Park, South Barrington, St. Charles, Stone Park and Wood Dale; (ii) Cook County and DuPage County; and (iii) School Districts 2, 7, 59, 63, 54, 80, 81, 84, 84.5, 85.5, 86, 87, 88, 89, 100, 214, 234 and 401. Municipalities, counties and public school districts may be added to or removed from the O'Hare Commission Area pursuant to the terms of this Agreement.

"Part 150 Plan" means a noise abatement and land use compatibility plan developed pursuant to 14 C.F.R. Part 150, or any successor provision.

"Residential Sound Insulation Program" means the program determined by the O'Hare Commission in cooperation with the City to provide sound insulation to homes in the O'Hare Commission Area that are affected by O'Hare-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established by the O'Hare Commission in cooperation with the City, and for which there is available funding.

"School Sound Insulation Program" means the program determined by the O'Hare Commission in cooperation with the City to provide sound insulation to schools in the O'Hare Commission Area that are affected by O'Hare-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established by the O'Hare Commission in cooperation with the City, and for which there is available funding.

"TRACON" means an FAA Terminal Radar Approach Control facility.

Section 3.

Composition And Organization.

A. In order for a person to participate as a Designee, the city, village, public school district or county represented by such person must have approved and executed a counterpart of this Agreement by December 31, 2025, or pursuant to Section 7.G of this Agreement, except that the Chicago Ward Members shall be eligible to participate as individual Members of the O'Hare Commission upon approval and execution of this Agreement by the City.

B. The O'Hare Commission shall consist of: (i) the chief elected officer as Designee or other Alternate of each of the municipalities and counties in the O'Hare Commission Area, except that the Commissioner of Aviation, or his or her Alternate, shall represent the City in an ex officio capacity; (ii) the superintendent, or chief executive as Designee or other Alternate of each public school district serving any portion of the O'Hare Commission Area; and (iii) Chicago Ward Designees, who shall be appointed by the Mayor of the City of Chicago. An individual may serve as a Designee or an Alternate for only one Member, except that Chicago Ward Designees shall not have an Alternate.

C. The O'Hare Commission Area includes municipalities, counties, Chicago wards and public school districts with an interest in O'Hare-related noise issues, and a principal purpose of this Agreement is to provide a forum for those municipalities, counties, Chicago wards and public school districts within the O'Hare Commission Area to work together with the City on a cooperative basis in addressing these issues.

D. The Chair, with majority approval of the Executive Committee, as defined in the O'Hare Commission bylaws, may appoint non-governmental entities or groups to serve as special Advisory Members of the O'Hare Commission. Advisory Members may participate fully in the deliberations of the O'Hare Commission, but shall have no voting powers and shall not be parties to this Agreement.

E. The O'Hare Commission shall elect annually from its Designees or Alternates a Chair, Vice Chair, Treasurer and any other officers that it deems necessary pursuant to the O'Hare Commission bylaws. The O'Hare Commission shall appoint, retain and employ an Executive Director and such other staff, professional advisors and consultants as may be needed to carry out its powers and duties. The appointment of the Executive Director must be approved by a simple majority of the Members of the O'Hare Commission.

F. Unless otherwise specified in the bylaws, a majority of the Members of the O'Hare Commission in good standing shall constitute a quorum for the transaction of business. Except as provided for in Section 7.H, a concurrence of a simple majority of the quorum

shall be necessary for the approval of any action by the O'Hare Commission. The O'Hare Commission shall establish a schedule of regular meetings in accordance with its bylaws ("Regular Meetings"), and special meetings may be called by the City or any five Members of the O'Hare Commission upon at least seven days' written notice to the City, each Member and each advisory Member.

Section 4.

O'Hare Commission Powers And Duties.

A. The O'Hare Commission shall have the following duties and powers listed below.

(1) The O'Hare Commission shall determine certain Noise Compatibility Programs and Noise Compatibility Projects to be implemented in the O'Hare Commission Area in cooperation with the City as set forth in Appendix A, and shall establish criteria for participation in such Noise Compatibility Programs and for determining the priorities for providing such Noise Compatibility Projects.

(2) The O'Hare Commission may make recommendations to the City regarding noise reduction programs at O'Hare including, but not limited to, the use of new technologies and flight patterns, preferential runway usage, the implementation of sound insulation programs, the use of ground run-up enclosures and the implementation of FAA standard noise abatement, takeoff and high-altitude approach procedures. No such recommendations shall be submitted to the FAA or implemented by the City without the prior approval of the O'Hare Commission. The O'Hare Commission also shall cooperate with the City in seeking agreements with the airlines using O'Hare and the FAA, as appropriate, with respect to aircraft noise mitigation and related matters.

(3) The O'Hare Commission may advise the City concerning any Part 150 Plan concerning O'Hare. The City shall not submit any such plan or any subsequent revision proposed by the City to the FAA without allowing the O'Hare Commission 60 days to review it and submit written recommendations to the City for consideration.

(4) The O'Hare Commission may request and, except as set forth below, the City shall provide full access to all publicly available documents relating to: (i) any O'Hare noise monitoring; (ii) any O'Hare-related Noise Compatibility Project proposed or undertaken in whole or in part by the City; and (iii) any recommendations or submissions to the FAA by the City related to aircraft noise mitigation related to O'Hare. Such requests may not impose an undue burden upon the City or interfere with its operations. In such circumstances, the City shall extend to the O'Hare Commission an opportunity to confer with it in an attempt to reduce the request to manageable proportions.

(5) Neither the O'Hare Commission, nor any of its Members, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in

using FAA flight data for O'Hare and/or Chicago Midway International Airports ("Data") in legal actions to enforce noise abatement policy or regulations without prior approval of the FAA, and shall not release such Data without notice to and consultation with the FAA. The O'Hare Commission and its Members, representatives, agents, employees, consultants, or professional advisors shall not release the Data for use by law enforcement agencies or for use in any civil litigation except as otherwise required by law. If the O'Hare Commission or any of its Members, representatives, agents, employees, consultants, or professional advisors are required by law to release such Data, they shall notify the FAA before doing so. This notification must be provided promptly after the O'Hare Commission or any of its Members, representatives, agents, employees, consultants, or professional advisors receives a request or requirement to release the Data, and prior to the release of the Data. The O'Hare Commission and its Members, representatives, agents, employees, consultants, or professional advisors shall not release Data if advised by the FAA, that the Data contains any information deemed sensitive at the sole discretion of the FAA, unless required by law to release such Data.

(6) The O'Hare Commission shall adopt an annual expense budget for each fiscal year, which shall be consistent with the City of Chicago fiscal year. The O'Hare Commission's expense budget shall be adopted at least 30 days prior to the commencement of each such fiscal year. The O'Hare Commission's expense budget shall be funded by the City and any grants received pursuant to Section F of Appendix A of this Agreement, following the evaluation and approval by the City of the proposed budget request.

(7) The O'Hare Commission shall have the power to sue and be sued and to take any other action necessary to perform its powers under this Agreement. No funds received by the O'Hare Commission from the City shall be used for legal services or other costs in connection with any action by the O'Hare Commission against the City, its officers or employees, or any airline using O'Hare, except for enforcement of the provisions of this Agreement. The City will indemnify, defend, and hold harmless Members from any and all claims, costs, expenses, including attorney's fees, damages, judgments and court costs arising out of the Member's participation in the O'Hare Commission. Members shall promptly provide to the City copies of any notices which Members may receive of any claims, actions, fines, proceedings or suits as may be given or filed in connection with the Member's participation in the O'Hare Commission.

(8) The O'Hare Commission shall undertake any procurement activities in accordance with this Agreement and pursuant to applicable law.

(9) The O'Hare Commission shall adopt bylaws consistent with the powers enumerated herein.

B. A record of proceedings and documents of the O'Hare Commission shall be maintained, which shall be available for inspection by the City, each Member, each Advisory Member, and the public as permitted by law. The accounts of the O'Hare Commission shall be subject to an annual audit by a qualified independent public accountant.

C. The powers and duties of the O'Hare Commission shall be limited to those expressly set forth in this Agreement.

Section 5.

Term Of Agreement.

A. This Agreement shall be effective January I, 2026, and shall terminate on December 31, 2030, unless otherwise terminated with the written consent of the City and two-thirds of the Members. The term of this Agreement may be extended upon the approval of the City and any Member which wishes to extend the term of the Agreement. If any Member defaults in any material respect in the performance of any of its duties or obligations under this Agreement, and such default continues for 30 days after the O'Hare Commission notifies the Member, the O'Hare Commission may terminate the defaulting Member's participation as a party to this Agreement. A material default by a Member shall include, but is not limited to, failure to comply with Section 6.

B. Any Member may withdraw as a Member of the O'Hare Commission at any time by providing 60 days advance written notice of its intent to withdraw to the City and the O'Hare Commission. Each such written notice shall be accompanied by a certified copy of a resolution or other official action of such Member's legislative body authorizing such withdrawal. Following its withdrawal from the O'Hare Commission, the Member shall cease to exercise any of its rights under this Agreement and to be responsible for any subsequent obligation incurred by the O'Hare Commission.

C. The City may terminate this Agreement at any time after January 1, 2026, upon 180 days prior written notice to each Member and each Advisory Member. Following the City's termination of this Agreement, the rights and obligations of each party to this Agreement shall terminate.

Section 6.

Attendance Policy.

A. Members' Designees or Alternates shall attend the majority of Regular Meetings in a calendar year. If a Members' Designee or Alternate misses three consecutive or the majority of Regular Meetings in a single calendar year, the Member will receive written notification from the Executive Director that it will be temporarily suspended from the O'Hare Commission for a period of one year, which shall begin o the date of the written notification.

B. Temporary suspension will involve the loss of membership and voting privileges for that one-year period from the date of the suspension. During the temporary suspension, suspended Members may attend meetings and participate in discussions as members of the public, but will not count as part of the voting quorum and will not be eligible to vote.

C. At any time during its one-year temporary suspension, a Member may appeal its temporary suspension by submitting a written request to the Executive Director due to a change in circumstances. Reinstatement of the Member shall be governed by the bylaws.

D. No later than 30 days following the end of the temporary suspension period, a Member may submit a written request to the Executive Director to be reinstated. Reinstatement of the Member shall be governed by the bylaws. If the Executive Director does not receive the reinstatement request within 30 days of the end of the suspension period, then this Agreement shall be terminated between the City and the Member.

Section 7.

Miscellaneous.

A. All notices hereunder shall be in writing and shall be given as follows:

If to the City, to:

Commissioner of Aviation
Chicago Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666

If to a Member, to the address set forth on the signature page of the counterparts of this Agreement executed by such Member and, in the case of Chicago Ward Members, to such addresses and telephone numbers as they may provide to the O'Hare Commission. Members may provide an email address for purposes of receiving notices.

All notices shall be effective upon receipt by U.S. mail or email. Any Member may change the address or addresses for notices to be sent to it by giving notice to the O'Hare Commission.

B. No Member may assign its rights or obligations under this Agreement without the prior written consent of the City and the other Members.

C. The City shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or the implementation

of a Noise Compatibility Program or a Noise Compatibility Project by a Member or other municipality or county. A Member shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or the implementation of a Noise Compatibility Program or a Noise Compatibility Project by the City, another Member, or another municipality or county. The City's financial obligations under this Agreement are limited to legally available airport revenues. Neither the City nor any Member shall be liable for any expenditures, indebtedness, or other financial obligations incurred by the O'Hare Commission unless the City or such Member has affirmatively agreed to incur such expenditure, indebtedness, or financial obligation. No Advisory Member shall be subject to any liabilities or obligations under this Agreement.

D. This Agreement and the bylaws authorized in Section 4.A(9) constitute the entire agreement of the parties with regard to the subject matter hereof. This Agreement shall not confer upon any person or entity other than the parties hereto any rights or remedies. Appendix A and Appendix B are incorporated herein and made a part of this Agreement.

E. This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each party. Each counterpart may vary in order to identify the Member, its address for notices, and its execution by an authorized officer. The execution of counterparts of this Agreement by a municipality, public school district, or county located in the O'Hare Commission Area prior to December 31, 2025, shall not require the consent of the O'Hare Commission, the City, or any Member.

F. This Agreement shall be governed and construed in accordance with Illinois law.

G. Any municipality, public school district, or county located in the O'Hare Commission Area that does not become a Member prior to December 31, 2025, may thereafter become a Member upon: (i) the approval of the City and a majority of the O'Hare Commission as set forth in Section 3.5 of this Agreement; and (ii) execution of a counterpart of this Agreement.

H. The approval of the City and two-thirds of the Members shall be required to amend this Agreement. Notice of any proposed amendment shall be transmitted to each Member and each Advisory Member at least 10 days prior to the meeting of the O'Hare Commission at which any proposed amendment is to be first considered. Any amendment shall be effective on all parties hereto when counterparts are executed by the City and two-thirds of the Members.

Executed as of this ____ day of _____, 2025.

City of Chicago

By: _____
Commissioner
Chicago Department of Aviation

_____ (Name of Member)

By:

_____
Authorized Officer

Address:

_____
_____
_____
_____

[Appendix "B" referred to in this Intergovernmental Agreement Relating to O'Hare Noise Compatibility Commission printed on page 33422 of this *Journal*.]

Appendix "A" referred to in this Intergovernmental Agreement Relating to O'Hare Noise Compatibility Commission reads as follows:

Appendix "A".
(To Intergovernmental Agreement Relating To O'Hare Noise Compatibility Commission)

Implementation Of Noise Compatibility Programs And Projects.

In connection with the development and implementation of Noise Compatibility Programs and Noise Compatibility Projects in the O'Hare Commission Area, the City and the O'Hare Commission shall have the following duties and responsibilities listed below.

A. The Members of the O'Hare Commission shall direct the further development of the Noise Compatibility Programs for the O'Hare Commission Area. The Members of the O'Hare Commission shall establish criteria for the equitable allocation of Noise Compatibility Projects and approved airport revenues (including by not limited to FAA Airport Improvement Program ("AIP") grants, Passenger Facility Charge ("PFC") funds,

and General Airport Revenue Bonds, and/or bonds backed by such funding sources) within the O'Hare Commission Area and the priorities for providing Noise Compatibility Projects, subject in each case to approval by the FAA and in compliance with all applicable FAA regulations and grant assurances, as well as other applicable law, and subject to available funding.

B. The City shall retain all necessary powers to satisfy the assurances made to the FAA in connection with the expenditure of airport revenues, including eligibility for sound insulation and/or sound insulation funding that is paid by airport revenues. The City shall enter into all agreements and assurances and shall take all other actions that may be necessary to provide for the utilization of airport revenues on the basis set forth in this Appendix A. Each Member and municipality and county that receives Noise Compatibility Projects shall enter into all agreements and assurances, including agreements with and assurances to the City, shall execute any necessary certificates, records, and other documents, and shall take all other actions that may be necessary to obtain and maintain FAA approval for the use of the airport revenues as contemplated in this Appendix A. Neither the O'Hare Commission nor any Member shall take or omit to take any action if such action or omission violates restrictions on the use of airport revenues. The City shall not be obligated in any year to pay or utilize any amounts in excess of available airport revenues to carry out the purposes of this Appendix A.

C. The determination of eligibility to participate in a Noise Compatibility Program or receive a Noise Compatibility Project is not to be construed as an admission or determination of negative impact by aircraft noise or of liability for damages or any other injury relating to aircraft noise on the part of the City or the O'Hare Commission.

D. In the event they are determined to be eligible for participation in a Noise Compatibility Program, property owners in the O'Hare Commission Area shall not be required to pay any portion of the cost of any Noise Compatibility Project. Upon approval by the City and with the consent of the property owner, at its option the City may acquire homes that are subject to very high levels of aircraft noise.

E. Noise Compatibility Projects outside the City may be implemented through Members and other municipalities and counties located in the O'Hare Commission Area. A municipality and county may request that the City undertake a Noise Compatibility Project within its corporate boundaries. Noise Compatibility Projects within the boundaries of the City shall be implemented by the City. The City may enter into agreements in connection with the planning and implementation of proposed Noise Compatibility Projects in the O'Hare Commission Area. All procurement activities related to Noise Compatibility Projects shall be undertaken in accordance with applicable law.

F. The City shall provide administrative support and professional and technical assistance to the O'Hare Commission, each Member, and all other municipalities and counties located in the O'Hare Commission Area in connection with the operations of the O'Hare Commission and the planning and implementation of Noise Compatibility Projects.

G. The O'Hare Commission may receive grants from any source to be used for the purpose of discharging its duties and obligations in accordance with the provisions of this Appendix A, and also may make grants for such purposes. The O'Hare Commission may expend any such grants for purposes consistent with this Appendix A. The City and the O'Hare Commission shall each use its best efforts (including serving as the sponsor or applicant for federal grants) to obtain the maximum amount of federal funds in connection with any Noise Compatibility Projects, so as to maximize the availability and impact of the City's financial contribution to Noise Compatibility Projects in the O'Hare Commission Area.

H. The City shall install, operate, and maintain a permanent noise monitoring system ("System") at and around O'Hare. The purposes of the System include validation of the FAA-approved noise contour for O'Hare, assisting in determining the eligibility and priority of proposed Noise Compatibility Projects for schools, enhancing public understanding of aircraft noise issues, and monitoring trends in aircraft noise.

(1) The City may retain a third-party vendor ("System Operator") selected by the City with the input of the O'Hare Commission to operate and maintain the System pursuant to an agreement between the City and the System Operator.

(2) At the request of the O'Hare Commission, the City may also retain and pay the cost of another third-party vendor ("System Expert") to provide independent management oversight of the System. The System Expert shall be mutually selected by the City and the O'Hare Commission. The System Expert will be responsible for independently verifying data and system operation through the review of all inputs and operational aspects of the System. All reports prepared by the System Expert shall be provided directly to the City and the O'Hare Commission. The activities and duties of the System Expert shall be consistent in all respects with the applicable requirements of the FAA. If the O'Hare Commission requests the City to retain and pay for such a System Expert, the amount that the City is obligated to pay the System Expert shall not exceed $200,000 per year, adjusted annually in accordance with the Consumer Price Index for All Urban Consumers ("CPI-U") for the Chicago-Naperville-Elgin area.

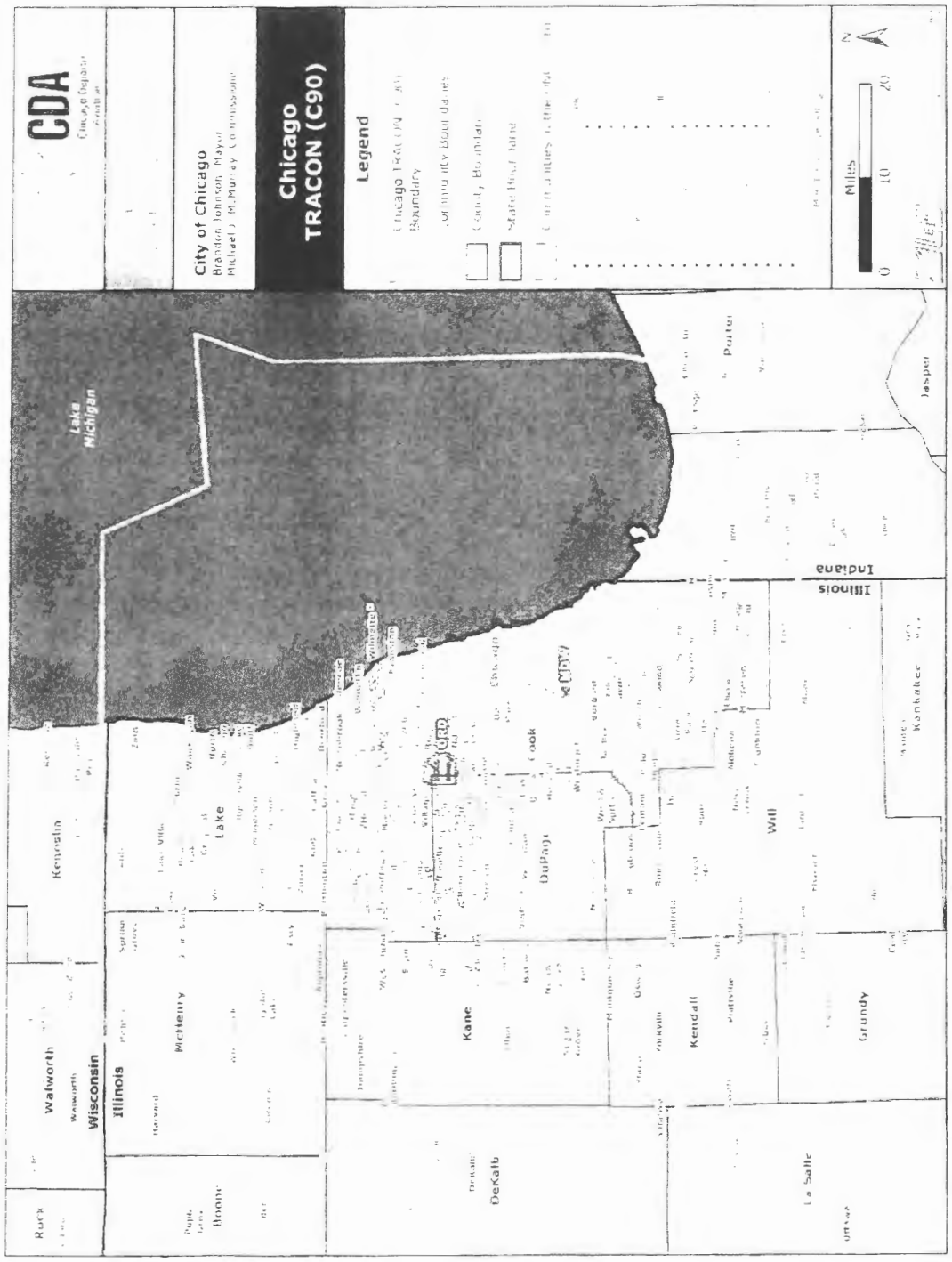
(3) The System shall include a minimum of 36 monitoring sites in the O'Hare Commission Area, plus such number of additional permanent monitoring sites as may be agreed upon by the City and the O'Hare Commission.

(4) The data collected by the System shall be made available by the City to the O'Hare Commission and any Member that requests such data. The City shall provide reports to the O'Hare Commission and any Member based on the data collected by the System.

(5) Neither the O'Hare Commission, nor any of its Members, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in using, information generated by the System in violation of Section 4.A(5) of this Agreement.

Appendix "B".
(To Implementation Of Noise Compatibility Programs And Projects)

Chicago TRACON Boundary (C90).



EXECUTION OF RENEWED INTERGOVERNMENTAL AGREEMENT WITH MIDWAY NOISE COMPATIBILITY COMMISSION FOR NOISE COMPATIBILITY PROGRAMS AT CHICAGO MIDWAY INTERNATIONAL AIRPORT.

[O2025-0020016]

The Committee on Aviation submitted the following report:

CHICAGO, October 14, 2025.

To the President and Members of the City Council:

Your Committee on Aviation, for which a meeting was held on October 14, 2025, at 12:30 P.M., recommends to *Pass* the ordinance regarding an intergovernmental agreement with the Midway Noise Compatibility Commission for Noise Compatibility Programs at Midway International Airport (MDW), introduced by the Honorable Brandon Johnson, Mayor, on September 25, 2025 (O2025-0020016).

This recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) MATTHEW J. O'SHEA,
Chair.

On motion of Alderperson O'Shea, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule municipality pursuant to Section 6 of Article VII of the 1970 Illinois Constitution (the "Illinois Constitution") and, as such, may exercise any power and perform any function related to its government and affairs; and

WHEREAS, The City owns and operates an airport known as Chicago Midway International Airport ("Midway"); and

WHEREAS. Pursuant to authority granted by: (a) an ordinance adopted by this City Council on February 7, 1996, and published in the *Journal of the Proceedings of the City Council of the City of Chicago*, Illinois (the "*Journal*") of such date at pages 15381 -- 15392, as amended by an ordinance adopted on September 14, 2005, and published in the *Journal* of such date at pages 55205 -- 55207, as further amended by ordinance Number O2010-5920 adopted on November 17, 2010, and published in the *Journal* of such date at pages 107924 -- 107935, as further amended by ordinance Number O2015-7376 adopted on November 18, 2015, and published in the *Journal* on such date at pages 13617 -- 13628, as further amended by ordinance Number O2020-6233 adopted on January 27, 2021, and published in the *Journal* on such date at pages 26550 -- 26561; (b) Section 10 of Article VII of the Illinois Constitution; and (c) the Intergovernmental Cooperation Act (5 ILCS 220/1, et seq.), the City entered into an intergovernmental agreement relating to the Midway Noise Compatibility Commission (the "Agreement") by and among the City and various municipalities and Cook County; and

WHEREAS, The Midway Noise Compatibility Commission (the "Midway Commission") was established pursuant to the Agreement and provides a common forum for interested parties to have a voice in the aircraft noise issues related to Midway; and

WHEREAS, The City desires to amend the Agreement and extend the term for five additional years; now, therefore,

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

SECTION 1. The foregoing recitals are hereby adopted as the findings of this City Council and are hereby incorporated in this ordinance by this reference.

SECTION 2. The Commissioner of the Chicago Department of Aviation (the "Commissioner") is hereby authorized to execute an amendment to the Agreement substantially in the form attached hereto as Exhibit A (the "Amended Agreement"), and to execute any and all instruments and take such additional actions which the Commissioner determines to be necessary or desirable to implement the terms of the Amended Agreement. The Amended Agreement shall become effective upon passage and approval of this ordinance and upon associated approval of the Amended Agreement as specified in Section 6.H of the Amended Agreement.

SECTION 3. The Commissioner shall provide notice of the amendments to the Agreement proposed by this ordinance to each member of the Midway Commission as provided in Section 6.H of the Amended Agreement.

SECTION 4. To the extent that any ordinance, resolution, rule, order, or provision of the Municipal Code of Chicago, or any part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall be controlling. If any section, paragraph, clause, or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be effective immediately upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Intergovernmental Agreement Relating To The Midway Noise Compatibility Commission.

This agreement, effective January 1, 2026, succeeds the previous agreement that was approved by the Chicago City Council and which went into effect on January 1, 2021, which expires under its own terms on December 31, 2025. It is entered into by the City of Chicago, a municipality and home rule unit of government under the Illinois Constitution of 1970, by and through the Chicago Department of Aviation, and the undersigned Members, organized under the laws of the State of Illinois. In consideration of the mutual agreements contained in this Agreement, the City of Chicago and each Member agree as follows below.

Section 1.

Establishment Of Midway Commission; Purposes.

The Midway Noise Compatibility Commission ("Midway Commission") is hereby established pursuant to Section 10 of Article VII of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act. The purposes of the Midway Commission are to: (a) determine certain Noise Compatibility Projects and Noise Compatibility Programs to be implemented in the Midway Commission Area; (b) oversee an effective and impartial noise monitoring system; (c) advise the City of Chicago concerning Midway-related noise issues; and (d) provide a forum for direct citizen engagement.

Section 2.

Definitions.

Whenever used in this Agreement, the following terms shall have the following meanings listed below.

"Alternate" means a Designee's substitute.

"City" means the City of Chicago. The Commissioner of Aviation or his or her Alternate (or any successor thereto) shall have the sole authority to undertake the City of Chicago's obligations and responsibilities under this Agreement, and the City shall act by and through the Commissioner of Aviation or his or her Alternate (or any successor thereto) for purposes of this Agreement, except as otherwise set forth in this Agreement.

"Designee" means a Member's chief elected officer for a municipality other than the City, the Commissioner of Aviation and other appointees by the Mayor of the City of Chicago for the City, or the chief elected officer for a county.

"FAA" means the Federal Aviation Administration or any successor agency.

"Member" means, at any time, each city, town, village, or county located in the Midway Commission Area that has executed a counterpart of this Agreement on the basis set forth in this Agreement, other than the City.

"Midway" means Chicago Midway International Airport.

"Midway Commission Area" means the area in the vicinity of Midway with an interest in Midway-related aircraft noise issues, which area includes but is not limited to the following municipalities and counties (which shall represent their respective residents in unincorporated areas): (i) the City of Chicago, Bedford Park, Bridgeview, Burbank, Cicero, Forest View, Hinsdale, Lyons, Stickney and Summit; and (ii) Cook County. Municipalities may be added to or removed from the Midway Commission Area pursuant to the terms of this Agreement.

"Noise Compatibility Programs" means programs, including but not limited to the Residential Sound Insulation Program and the School Sound Insulation Program, which address aircraft noise concerns in the Midway Commission Area as determined by the Midway Commission in cooperation with the City.

"Noise Compatibility Projects" means the noise compatibility projects (including administrative costs) in the Midway Commission Area which are eligible for funding based on FAA regulations and grant assurances, which have been identified as eligible for participation in Noise Compatibility Programs as determined by the Midway Commission in cooperation with the City based on criteria adopted by the Midway Commission, and for which there is available funding. Noise Compatibility Projects include, but are not limited to. the sound insulation of homes and schools and/or providing the funding for such sound insulation to be implemented. Participation in a Noise Compatibility Program or receipt of a Noise Compatibility Project shall be voluntary on the part of the relevant property owner.

"Part 150 Plan" means a noise abatement and land use compatibility plan developed pursuant to 14 CFR Part 150, or any successor provision.

"Residential Sound Insulation Program" means the program determined by the Midway Commission in cooperation with the City to provide sound insulation to homes in the Midway Commission Area that are affected by Midway-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established by the Midway Commission in cooperation with the City, and for which there is available funding.

"School Sound Insulation Program" means the program determined by the Midway Commission in cooperation with the City to provide sound insulation to schools in the Midway Commission Area that are affected by Midway-related aircraft noise, and that are eligible for sound insulation pursuant to FAA guidelines and regulations and eligibility criteria established by the Midway Commission in cooperation with the City, and for which there is available funding.

Section 3.

Composition And Organization.

A. In order for a person to participate as a Designee, the municipality or county represented by such person must have approved and executed a counterpart of this Agreement by December 31, 2025, or pursuant to Section 6.G. of this Agreement.

B. The Midway Commission shall consist of: (i) the chief elected officer as Designee or other Alternate of each of the municipalities and counties in the Midway Commission Area; and (ii) 10 individuals appointed by the Mayor of the City of Chicago, provided that the tenth individual appointed by the Mayor of the City of Chicago shall always be the Commissioner of Aviation, representing the City in an ex officio capacity, or his or her Alternate. An individual may serve as a Designee or an Alternate for only one Member, except that the City appointees, other than the Commissioner of Aviation, shall not have an Alternate.

C. The Midway Commission Area includes municipalities and counties with an interest in Midway-related noise issues, and a principal purpose of this Agreement is to provide a forum for those municipalities and counties to work together with the City on a cooperative basis in addressing these issues.

D. The Midway Commission shall elect annually from its Designees or Alternates a Chairman and a Vice-Chairman and any other officers that it deems necessary pursuant to the Midway Commission bylaws. The Midway Commission shall appoint, retain and employ an Executive Director and such other staff, professional advisors and consultants as may be needed to carry out its powers and duties. The appointment of the Executive Director must be approved by a simple majority of the Members of the Midway Commission.

E. Unless otherwise specified in the bylaws, a majority of the Members of the Midway Commission shall constitute a quorum for the transaction of business. Except as provided for in Section 6.H, a concurrence of a simple majority of the quorum shall be necessary for the approval of any action by the Midway Commission. The Midway Commission shall establish a schedule of regular meetings in accordance with its bylaws ("Regular Meetings"), and special meetings may be called by the City or any two Members of the Midway Commission upon at least seven days written notice to the City and each Member.

Section 4.

Midway Commission Powers And Duties.

A. The Midway Commission shall have the following duties and powers listed below.

(1) The Midway Commission shall determine certain Noise Compatibility Programs and Noise Compatibility Projects to be implemented in the Midway Commission Area in cooperation with the City as set forth in Appendix A, and shall establish criteria for participation in such Noise Compatibility Programs and for determining the priorities for providing such Noise Compatibility Projects.

(2) The Midway Commission may make recommendations to the City regarding noise reduction programs at Midway including, but not limited to, the use of new technologies and flight patterns, preferential runway usage, the implementation of sound insulation programs, and the implementation of FAA standard noise abatement, takeoff, and high altitude approach procedures. No such recommendations shall be submitted to the FAA or implemented by the City without the prior approval of the Midway Commission. The Midway Commission also shall cooperate with the City in seeking agreements with the airlines using Midway and the FAA, as appropriate, with respect to aircraft noise mitigation and related matters.

(3) The Midway Commission may advise the City concerning any Part 150 Plan concerning Midway. The City shall not submit any such plan or any subsequent revision proposed by the City to the FAA without allowing the Midway Commission 60 days to review it and submit written recommendations to the City for consideration.

(4) The Midway Commission may request and, except as set forth below, the City shall provide full access to all publicly available documents relating to: (i) any Midway noise monitoring; (ii) any Midway-related Noise Compatibility Project proposed or undertaken in whole or in part by the City; and (iii) any recommendations or submissions to the FAA by the City related to aircraft noise mitigation related to Midway. Such requests may not impose an undue burden upon the City or interfere with its operations. In such

circumstances, the City shall extend to the Midway Commission an opportunity to confer with it in an attempt to reduce the request to manageable proportions.

(5) Neither the Midway Commission, nor any of its Members, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in using FAA flight data for Midway and/or Chicago O'Hare International Airports ("Data") in legal actions to enforce noise abatement policy or regulations without prior approval of the FAA, and shall not release such Data without notice to and consultation with the FAA. The Midway Commission and its Members, representatives, agents, employees, consultants, or professional advisors shall not release the Data for use by law enforcement agencies or for use in any civil litigation except as otherwise required by law. If the Midway Commission or any of its Members, representatives, agents, employees, consultants, or professional advisors are required by law to release such Data, they shall notify the FAA before doing so. This notification must be provided promptly after the Midway Commission or any of its Members, representatives, agents, employees, consultants, or professional advisors receives a request or requirement to release the Data, and prior to the release of the Data. The Midway Commission and its Members, representatives, agents, employees, consultants, or professional advisors shall not release Data if advised by the FAA, that the Data contains any information deemed sensitive at the sole discretion of the FAA, unless required by law to release such Data.

(6) The Midway Commission shall have the power to sue and be sued and to take any other action necessary to perform its powers under this Agreement. No funds received by the Midway Commission from the City shall be used for legal services or other costs in connection with any action by the Midway Commission against the City, its officers or employees, or any airline using Midway, except for enforcement of the provisions of this Agreement. The City will indemnify, defend, and hold harmless Members from any and all claims, costs, expenses, including attorney's fees, damages, judgments and court costs arising out of the Member's participation in the Midway Commission. Members shall promptly provide to the City copies of any notices Members may receive of any claims, actions, fines, proceedings or suits as may be given or filed in connection with the Member's participation in the Midway Commission.

(7) The Midway Commission shall adopt bylaws for the conduct of its meetings consistent with the powers enumerated herein.

B. A record of proceedings and documents of the Midway Commission shall be maintained, which shall be available for inspection by the City, each Member and the public as permitted by law. The accounts of the Midway Commission shall be subject to an annual audit by a qualified independent public accountant.

C. The powers and duties of the Midway Commission shall be limited to those expressly set forth in this Agreement.

Section 5.

Term Of Agreement.

A. This Agreement shall be effective January 1, 2026, and shall terminate on December 31, 2030, unless otherwise terminated with the written consent of the City and two-thirds of the Members. The term of this Agreement may be extended upon the approval of the City and any Member which wishes to extend the term of the Agreement. If any Member defaults in any material respect in the performance of any of its duties or obligations under this Agreement, and such default continues for 30 days after the Midway Commission notifies the Member, the Midway Commission may terminate the defaulting Member's participation as a party to this Agreement. A material default by a Member shall include, but is not limited to, failure of its Designee or Alternate to attend three or more consecutive Regular Meetings of the Midway Commission.

B. Any Member may withdraw as a Member of the Midway Commission at any time by providing 60 days advance written notice of its intent to withdraw to the City and the Midway Commission. Each such written notice shall be accompanied by a certified copy of a resolution or other official action of such Member's legislative body authorizing such withdrawal. Following its withdrawal from the Midway Commission, the Member shall cease to exercise any of its rights under this Agreement and to be responsible for any subsequent obligation incurred by the Midway Commission.

C. The City may terminate this Agreement at any time after January 1, 2026, upon 180 days prior written notice to each Member. Following the City's termination of this Agreement, the rights and obligations of each party to this Agreement shall terminate.

Section 6.

Miscellaneous.

A. All notices hereunder shall be in writing and shall be given as follows:

If To The City, To:

Commissioner of Aviation
Chicago Department of Aviation
10510 West Zemke Road
Chicago, Illinois 60666

If to a Member, to the address set forth on the signature page of the counterparts of this Agreement executed by such Member and, in the case of City appointees, to such addresses and telephone numbers as they may provide to the Midway Commission. Members may provide an email address for purposes of receiving notices.

All notices shall be effective upon receipt by U.S. mail or email. Any Member may change the address or addresses for notices to be sent to it by giving notice to the Midway Commission.

B. No Member may assign its rights or obligations under this Agreement without the prior written consent of the City and the other Members.

C. The City shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or the implementation of a Noise Compatibility Program or a Noise Compatibility Project by a Member or other municipality or county. A Member shall not be responsible or liable for damage to property or injury to persons that may arise from, or be incident to, compliance with this Agreement or the implementation of a Noise Compatibility Program or a Noise Compatibility Project by the City, another Member, or another municipality or county. The City's financial obligations under this Agreement are limited to legally available airport revenues. Neither the City nor any Member shall be liable for any expenditures, indebtedness, or other financial obligations incurred by the Midway Commission unless the City or such Member has affirmatively agreed to incur such expenditure, indebtedness, or financial obligation.

D. This Agreement and the bylaws authorized in Section 4.A(7) constitute the entire agreement of the parties with regard to the subject matter hereof. This Agreement shall not confer upon any person or entity other than the parties hereto any rights or remedies. Appendix A is incorporated herein and made a part of this Agreement.

E. This Agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement, and shall become binding when one or more counterparts have been signed by each party. Each counterpart may vary in order to identify the Member, its address for notices, and its execution by an authorized officer. The execution of counterparts of this Agreement by a municipality or county located in the Midway Commission Area prior to December 31, 2025, shall not require the consent of the Midway Commission, the City, or any Member.

F. This Agreement shall be governed and construed in accordance with Illinois law.

G. Any municipality located in the Midway Commission Area that does not become a Member prior to December 31, 2025, may thereafter become a Member upon: (i) the approval of the City and a majority of the Midway Commission as set forth in Section 3.E of this Agreement; and (ii) execution of a counterpart of this Agreement.

The Mayor of the City of Chicago shall be entitled to appoint one additional individual to the Midway Commission for each additional Member of the Midway Commission that is added from outside the City as the result of this Section 6.G.

H. The approval of the City and two-thirds of the Members shall be required to amend this Agreement. Notice of any proposed amendment shall be transmitted to each Member at least 10 days prior to the meeting of the Midway Commission at which any proposed amendment is to be first considered. Any amendment shall be effective on all parties hereto when counterparts are executed by the City and two-thirds of the Members.

Executed as of this ____ day of _____, 2025.

City of Chicago

By: _____
Commissioner of Aviation,
City of Chicago

_____ (Name of Member)

By:

_____
Authorized Officer

Address:

_____
_____
_____
_____

Appendix "A" attached to this Intergovernmental Agreement Relating to the Midway Noise Compatibility Commission reads as follows:

Appendix A.
(To Intergovernmental Agreement Relating To
Midway Noise Compatibility Commission)

Implementation Of Noise Compatibility Programs And Projects.

In connection with the development and implementation of Noise Compatibility Programs and Noise Compatibility Projects in the Midway Commission Area, the City and the Midway Commission shall have the following duties and responsibilities listed below.

A. The Members of the Midway Commission shall direct the further development of the Noise Compatibility Programs for the Midway Commission Area. The Members of the Midway Commission shall establish criteria for the equitable allocation of Noise Compatibility Projects and approved airport revenues (including but not limited to FAA Airport Improvement Program ("AIP") grants, Passenger Facility Charge ("PFC") funds, and General Airport Revenue Bonds, and/or bonds backed by such funding sources) within the Midway Commission Area and the priorities for providing Noise Compatibility Projects, subject in each case to approval by the FAA and in compliance with all applicable FAA regulations and grant assurances, as well as other applicable law, and subject to available funding.

B. The City shall retain all necessary powers to satisfy the assurances made to the FAA in connection with the expenditure of airport revenues, including eligibility for sound insulation and/or sound insulation funding that is paid by airport revenues. The City shall enter into all agreements and assurances and shall take all other actions that may be necessary to provide for the utilization of airport revenues on the basis set forth in this Appendix A. Each Member and municipality and county that receives Noise Compatibility Projects shall enter into all agreements and assurances, including agreements with and assurances to the City, shall execute any necessary certificates, records, and other documents, and shall take all other actions that may be necessary to obtain and maintain FAA approval for the use of the airport revenues as contemplated in this Appendix A. Neither the Midway Commission nor any Member shall take or omit to take any action if such action or omission violates restrictions on the use of airport revenues. The City shall not be obligated in any year to pay or utilize any amounts in excess of available airport revenues to carry out the purposes of this Appendix A.

C. The determination of eligibility to participate in a Noise Compatibility Program or receive a Noise Compatibility Project is not to be construed as an admission or determination of negative impact by aircraft noise or of liability for damages or any other injury relating to aircraft noise on the part of the City or the Midway Commission.

D. In the event they are determined to be eligible for participation in a Noise Compatibility Program, property owners in the Midway Commission Area shall not be required to pay any portion of the cost of any Noise Compatibility Project. Upon approval by the City and with the consent of the property owner, at its option the City may acquire homes that are subject to very high levels of aircraft noise.

E. Noise Compatibility Projects outside the City may be implemented through Members and other municipalities and counties located in the Midway Commission Area. A municipality and county may request that the City undertake a Noise Compatibility Project within its corporate boundaries. Noise Compatibility Projects within the boundaries of the City shall be implemented by the City. The City may enter into agreements in connection with the planning and implementation of proposed Noise Compatibility Projects in the Midway Commission Area. All procurement activities related to Noise Compatibility Projects shall be undertaken in accordance with applicable law.

F. The City shall provide administrative support and professional and technical assistance to the Midway Commission, each Member, and all other municipalities and counties located in the Midway Commission Area in connection with the operations of the Midway Commission and the planning and implementation of Noise Compatibility Projects.

G. The Midway Commission may receive grants from any source to be used for the purpose of discharging its duties and obligations in accordance with the provisions of this Appendix A, and also may make grants for such purposes. The Midway Commission may expend any such grants for purposes consistent with this Appendix A. The City and the Midway Commission shall each use its best efforts (including serving as the sponsor or applicant for federal grants) to obtain the maximum amount of federal funds in connection with any Noise Compatibility Projects, so as to maximize the availability and impact of the City's financial contribution to Noise Compatibility Projects in the Midway Commission Area.

H. The City shall install, operate, and maintain a permanent noise monitoring system ("System") at and around Midway. The purposes of the System include validation of the FAA-approved noise contour for Midway, assisting in determining the eligibility and priority of proposed Noise Compatibility Projects for schools, enhancing public understanding of aircraft noise issues, and monitoring trends in aircraft noise.

(1) The City may retain a third-party vendor ("System Operator") selected by the City with the input of the Midway Commission to operate and maintain the System pursuant to an agreement between the City and the System Operator.

(2) At the request of the Midway Commission, the City may also retain and pay the cost of another third-party vendor ("System Expert") to provide independent management oversight of the System. The System Expert shall be selected by the City with the input of the Midway Commission.

(3) The System shall include a minimum of 13 monitoring sites in the Midway Commission Area, plus such number of additional permanent monitoring sites as may be agreed upon by the City and the Midway Commission.

(4) The data collected by the System shall be made available by the City to the Midway Commission and any Member that requests such data. The City shall provide reports to the Midway Commission and any Member based on the data collected by the System.

(5) Neither the Midway Commission, nor any of its Members, representatives, agents, employees, consultants, or professional advisors shall use, or assist other persons in using, information generated by the System in violation of Section 4.A(5) of this Agreement.

AUTHORIZATION FOR TRANSFER OF INTEREST IN CONCESSION REDEVELOPMENT AND MANAGEMENT LEASE AGREEMENT FROM URW AIRPORTS LLC TO ASUR US COMMERCIAL AIRPORTS LLC.

[O2025-0019971]

The Committee on Aviation submitted the following report:

CHICAGO, October 14, 2025.

To the President and Members of the City Council:

Your Committee on Aviation, for which a meeting was held on October 14, 2025 at 12:30 P.M., recommends to *Pass* the ordinance regarding the transfer of interest in concession redevelopment and management lease agreement from URW Airports LLC to ASUR US Commercial Airports LLC, introduced by the Honorable Brendan Johnson, Mayor, on September 25, 2025 (O2025-0019971).

This recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) MATTHEW J. O'SHEA,
Chair.

On motion of Alderperson O'Shea, the said proposed ordinance transmitted with the foregoing committee report was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago ("City") is a home rule unit of government as defined in Article VII, §6(a) of the Illinois Constitution and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City owns and operates Chicago O'Hare International Airport ("Airport") and possesses the power and authority to lease its premises and facilities and to grant other rights and privileges with respect thereto; and

WHEREAS, The Airport provides its employees, airport-tenants' employees, air carrier passengers, and members of the public with many amenities, such as shopping, dining, and other service needs; and

WHEREAS, The City and URW Airports LLC (formerly known as Westfield Concession Management LLC) ("URW") entered into a Concession Redevelopment and Management Lease Agreement, dated September 1, 2011, for the purpose of developing and managing the Airport's Terminal 5 Concession Program attached hereto as Exhibit A (as amended from time to time, the "URW Agreement"); and

WHEREAS, Pursuant to Section 6.2(b) of the URW Agreement, any transfer involving all of URW's interest in the URW Agreement is subject to the consent of City Council; and

WHEREAS, The City desires to approve of the 100 percent transfer of interest in the URW Agreement to ASUR US Commercial Airports LLC ("ASUR"), in order for ASUR to develop and manage the Terminal 5 Concession Program at Airport pursuant to the URW Agreement (the "URW Transfer"); now, therefore,

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

SECTION 1. The above recitals are incorporated by reference as if fully set forth herein.

SECTION 2. The Commissioner of the Chicago Department of Aviation ("Commissioner") is hereby authorized to approve the URW Transfer, pursuant to the URW Agreement.

SECTION 3. The Commissioner and such other City officials and employees as may be required are authorized to take such actions and execute such other documents as may be necessary or desirable to implement the objectives of this ordinance.

SECTION 4. This ordinance shall take effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A"

Chicago O'Hare International Airport Terminal 5 Concession Redevelopment And Management Lease Agreement By And Between City Of Chicago And Westfield Concession Management LLC.

THIS CONCESSION REDEVELOPMENT AND MANAGEMENT LEASE AGREEMENT (the "**Lease**") is made as of this 1st day of September, 2011 ("**Effective Date**"), by and between the **CITY OF CHICAGO**, a municipal corporation and home rule unit of local government under the Constitution of the State of Illinois, acting through its Chicago Department of Aviation (hereinafter the "**City**") having a usual place of business at 10510 West Zemke Road, Chicago, Illinois 60666 and **WESTFIELD CONCESSION MANAGEMENT, LLC** (the "**Tenant**"), a Delaware limited liability company authorized to conduct business in the State of Illinois, with a principal place of business at 11601 Wilshire Boulevard, 11th Floor, Los Angeles, CA 90025. The City and Tenant may hereinafter be referred to individually as a "**Party**" and collectively as the "**Parties**."

The City and Tenant hereby agree as follows:

ARTICLE 1

DEFINITIONS AND ATTACHMENTS

1.1 Basic Data. Each reference in this Lease to any of the following subjects shall incorporate the data or definition specified below:

Airport:	Chicago O'Hare International Airport, Chicago, IL
Terminal 5:	The international flight terminal of the Airport (hereinafter the "**Terminal**"). The Terminal is currently approximately 1,236,000 square feet and currently includes 21 gates and 5 ramp boarding areas.
City:	City of Chicago, acting through the Chicago Department of Aviation.
City's Representative:	The Commissioner.
Commissioner:	The Commissioner of the Department and any City officer or employee authorized to act on his/her

	behalf.
Department:	Chicago Department of Aviation or CDA.
Department's Notice Address:	10510 West Zemke Road Chicago, Illinois 60666
Tenant:	Westfield Concession Management, LLC.
Tenant's Representative(s):	Senior Vice-President, Airports and Office of Legal Counsel, Attn: Associate General Counsel.
Tenant's Notice Address:	2730 University Blvd., Suite 900 Wheaton, Maryland 20902 Attention: Office of Legal Counsel
Transition Premises:	The existing Concession Premises at the time of the delivery of the Premises by the City to Tenant consisting of approximately 15,200 square feet of area and all appurtenances and fixtures attached thereto located in Terminal 5, as more particularly described on **Exhibit A** and which shall be phased out during the redevelopment of the Concession Program.
New Concession Premises:	Approximately 25,500 square feet of area and all appurtenances and fixtures attached thereto located in Terminal 5, as more particularly described and shown on **Exhibit A** attached hereto.
Storage Premises:	Approximately 4,000 square feet of backroom storage area located in Terminal 5, as more particularly described and shown on **Exhibit A** attached hereto.
Office Premises:	Initially, approximately 300 square feet of area located in Terminal 5, as more particularly described and shown on **Exhibit A** attached hereto. Prior to the Redevelopment of the Concession Program, the Department shall relocate and/or expand the Office Premises to be approximately 1,200 square feet of area located in Terminal 5, as more particularly described and shown on **Exhibit A** attached hereto.
Permitted Uses:	As provided in **Article 2**.

Term:	That period commencing on the Effective Date and ending at 11:59 p.m. on the Expiration Date, unless sooner terminated as provided herein.
Rent Commencement Date:	The Earliest Date of Beneficial Occupancy as defined in **Section 1.2** with respect to the Transition Premises. The Latest Date of Beneficial Occupancy as defined in **Section 1.2** for Percentage Rent with respect to the New Concession Premises and the MAG Effective Date for the Minimum Annual Guarantee.
Expiration Date:	The date which is the 20th anniversary from the Latest Date of Beneficial Occupancy, unless sooner terminated as provided herein. Upon the mutually agreed upon determination of the Latest Date of Beneficial Occupancy, the Expiration Date shall be memorialized in a letter agreement between the Parties.
Minimum Annual Guarantee:	A minimum annual amount of Three Dollars ($3.00) per Actual Enplaned Passenger (based on the total of all Actual Enplaned Passengers in the Terminal during the immediately preceding Lease Year), as set forth in **Article 5**. Commencing on January 1 following the MAG Effective Date, the $3.00 rate shall automatically be adjusted each year to reflect the prior year's annual increase in the Consumer Price Index for All Urban Consumers ("**CPI-U**") in the Chicago-Gary-Kenosha area, but not to exceed one and one-half percent (1.5%) per year.
Percentage Rent:	A Percentage Rent rate of sixteen percent (16%) of all Subtenant's Gross Receipts generated from the Transition Premises and New Concession Premises as set forth in **Article 5**.
Additional Concession Percentage Rent:	With respect to any Additional Concession Premises that may be added to the Lease from time to time, the following Percentage Rent rates will be applicable (in lieu of the sixteen percent (16%) rate specified above for the Premises Rent) for each new location within the Additional Concession Premises for the following types of concessions: (i) Specialty

	Retail – eleven percent (11%), (ii) Food & Beverage - ten percent (10%), (iii) Newsstands and News & Gifts – fifteen percent (15%), (iv) Duty Free – twenty-three percent (23%), and (v) Services – ten percent (10%).
Premises Rent:	An annual amount which is the greater of: (a) the Minimum Annual Guarantee; or (b) the sum of Percentage Rent and Additional Concession Percentage Rent, if applicable, as set forth in **Article 5.**
Rent:	Collectively, Premises Rent, Additional Rent and any other charge or amount due from Tenant under this Lease as more particularly described and set forth in **Article 5.**
City's Address for Rent Payments:	Office of the City Comptroller 333 South State Street, Room 402 Chicago, Illinois 60614
Security Deposit:	Within one hundred twenty days following the execution of this Lease, a Letter of Credit equal to Five Hundred Thousand Dollars ($500,000.00) in form acceptable to the City as provided in **Article 5.** After completion of the Redevelopment, this letter of credit will be amended to reflect an amount equal to three (3) months of the first Lease Years' Minimum Annual Guarantee, which shall be delivered to the City on or before the Latest Date of Beneficial Occupancy.
Construction Bond:	Prior to the commencement of Tenant's construction of the Redevelopment (as defined below), a payment and performance bond guaranteeing completion of Tenant's construction Work for the Redevelopment in an amount of Tenant's construction Contracts shall be delivered by Tenant to the Department.

1.2 Additional Defined Terms. As used herein, the following terms shall have the meanings specified below:

"**Actual Enplaned Passengers**" shall mean international passengers who board an airplane departing from the Terminal as reported to the City by the airlines using Gates in the Terminal. The City shall provide Tenant with Actual Enplaned Passengers data promptly after such data

becomes available to the City.

"Additional Rent" shall mean all other payments due under this Lease of any kind or nature other than Premises Rent.

"Affiliate" shall mean except where otherwise defined, means any individual, corporation, partnership, trustee, administrator, executor or other legal entity that directly or indirectly owns or controls, or is owned or controlled by, or is under common ownership or control with Tenant.

"**Airport Concession Disadvantaged Business Enterprise" or "ACDBE"** shall mean an entity meeting the definition of a disadvantaged business enterprise as defined in U.S. Department of Transportation Regulations Title 49 Code of Federal Regulations, Parts 23 and 26, as amended from time to time ("**Regulations**") and certified in accordance with those Regulations and as further set forth in **Section 16.2** hereof. Tenant shall act as the City's representative in monitoring Subtenants' compliance with the Regulations and reporting ACDBE participation in the Concession Program, including Subtenants' good faith efforts as required by the Regulations to comply with the Special Conditions Regarding ACDBE participation as attached hereto as **Exhibit C,** and Tenant shall include such Special Conditions in each of its applicable subleases (those subleases including an ACDBE participant) of Premises. Failure of a Subtenant to comply with such Special Conditions shall be a default by the Subtenant under the Sublease. The Special Conditions may be amended by the City from time to time to reflect changes in the Regulations and such amended Special Conditions shall be binding, to the extent applicable, on Tenant and its Subtenants.

"Airport Concession Program Handbook" shall mean **Exhibit J,** as it may be amended from time to time by the Department. Any amendment of the Airport Concession Program Handbook by the Department during the Term of this Lease will be binding on Tenant without need for amendment of this Lease. In the event of any conflict or inconsistency between the provisions of this Lease and the Airport Concession Program Handbook and this Lease, this Lease shall be controlling.

"Annual Certified Statement" shall mean a statement in the form of the Annual Certified Statement attached hereto as **Exhibit K** setting forth the in the aggregate all of the Subtenants' "**Gross Receipts**" as hereinafter defined generated at, on or from the Premises and the amount of Premises Rent payable to the City, all in accordance with **Section 5.1(c)**, for each Lease Year of the Term. The Annual Certified Statement shall be accompanied by the certification of an independent certified public accounting firm reasonably acceptable to the City. The City may change the form of the Annual Certified Statement upon thirty (30) days prior written notice to Tenant.

"Base Building Improvements" shall mean those Improvements to be constructed by Tenant's Contractors as part of the Redevelopment.

"Chief Procurement Officer" shall mean the head of the Department of Procurement Services of the City and any City officer or employee authorized to act on her behalf.

"Common Areas" shall mean those areas of the Terminal that are not leased, licensed, or otherwise designated or made available by the Department for exclusive or preferential use by specific party or parties.

"Concession Premises" shall mean the existing Transition Premises (until closed following redevelopment of the Concession Program), the New Concession Premises and, if applicable, the Additional Concession Premises.

"Concession Plan" shall mean the comprehensive plan for the development and implementation of the Concession Program as further described in **Section 7.1** to be submitted to the City for approval in accordance with said **Section 7.1**. Such Concession Plan shall be consistent with all applicable sections of Tenant's Proposal as the same have been approved by the City and shall include, without limitation, at least one (1) pre-security food and beverage concession location operating on a twenty-four (24) hour per day basis.

"Concession Program" shall mean the first class food and beverage operations and retail service operations within the Concession Premises in accordance with the Concession Plan.

"Concession Tenant Design and Construction Procedures Manual" or "TDCPM" shall mean those certain design standards and policies prepared by the Department for tenants at the Airport, as amended by the Department from time to time.

"Contractor" means all entities providing Work, services and/or materials to Tenant or its Subtenants necessary for Concession operations or for the design, construction, repair, and maintenance of the Premises and Improvements. The term Contractor also includes subcontractors of any tier, suppliers and materialmen, whether or not in privity with Tenant or its Subtenants.

"Contracts" shall mean all written agreements with Contractors.

"Construction Documents" shall mean the drawings and specifications for the construction of Improvements, approved by the Commissioner pursuant to **Article 8**.

"Date of Beneficial Occupancy" shall mean the date on which Tenant shall assume the Transition Premises in accordance with the terms and conditions of this Lease (the "**Earliest Date of Beneficial Occupancy**"); and the date which is the earlier to occur of: (i) 180 days following the date that the City has delivered the Concession Premises to Tenant and all permits required for the construction by Tenant of the Redevelopment and Tenant's Base Building Improvements and the build-out of the Concession Premises by the Subtenants have been approved and issued by all applicable permitting agencies, or (ii) the date on which the entire redeveloped concession locations and the associated Redevelopment of Terminal have been completed and all of the Concession Premises initially opened for business to the public (the "**Latest Date of Beneficial Occupancy**"). The Latest Date of Beneficial Occupancy shall be confirmed in writing by the parties. Unless otherwise specifically stated herein, reference in this Lease to Date of Beneficial Occupancy shall mean the Latest Date of Beneficial Occupancy.

"Days" shall mean calendar days unless otherwise specified herein.

"Default Rate" shall mean twelve percent (12%) per annum, but in no event higher than the highest rate permitted by law.

"Development Plan" shall mean the Tenant's and its Subtenants' conceptual plans for the Redevelopment, including construction of Improvements and commencement of Concession operations, as set forth in **Article 8**.

"Environmental Laws" shall mean collectively, all applicable federal, state and local environmental, safety or health laws and ordinances and rules or applicable common law, including the Occupational Safety and Health Act of 1970, as amended (29 U.S.C. §651 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §9601 et seq.), the Hazardous Materials Transportation Authorization Act of 1994 (49 U.S.C. §5101 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §6901 et seq.), the Toxic Substances Control Act of 1976, as amended (15 U.S.C. §2601 et seq.), the Clean Air Act (42 U.S.C. §7401 et seq.), the Clean Water Act (33 U.S.C. §1251 et seq.), the Safe Drinking Water Act (42 U.S.C. §300(f) et seq.) as any of the foregoing may later be amended from time to time; any rule or regulation pursuant to them, and any other present or future law, ordinance, rule, regulation, permit or permit condition, order or directive addressing environmental, health or safety issues of or by the federal government, or any state or other political subdivision of it, or any agency, court or body of the federal government, or any state or other political subdivision of it, exercising executive, legislative, judicial, regulatory or administrative functions.

"Existing Contamination" shall mean any and all pollution or contamination caused by any Hazardous Material that previously existed in or exists in, or was released onto, the soil or groundwater at or beneath the Premises, the Terminal or the Airport or located within the Premises, the Terminal or the Airport as of the date the City first delivered the Premises to Tenant for Tenant's occupancy under this Lease.

"Event of Default" shall mean that meaning as described in **Article 17**.

"Force Majeure" shall mean any event beyond the control of the party claiming it, including but not limited to, acts of God, acts of a public enemy (such as war (declared or undeclared), invasion, insurrection, terrorism, riots or rebellion), fires floods, earthquakes, hurricanes, explosions, and strikes which wholly or materially prevents or impairs either party from performing its obligations in strict accordance herewith, provided, however, that any lack of funds shall not be deemed a cause beyond the control of a party.

"GAAP" shall mean generally accepted accounting principles in the United States consistently applied.

"Gates" shall mean those portions of the Terminal used for passengers to board and disembark from aircraft.

"Gross Receipts" shall mean the total amount in dollars at the actual sales price of all receipts, whether for cash or on credit, that are derived from business conducted in, on or from the Concession Premises, and all deposits not refunded to purchasers and all orders taken in and from the Concession Premises whether or not the orders are filled elsewhere, and receipts or sales by the Subtenants and any other person or persons doing business in or from the Concession Premises, including receipts from promotions, advertising, and income derived from retail display allowances or any other use of the Concession Premises by the Subtenants. Gross Receipts do not, however, include the following:

(i) any sums collected and paid out by Tenant or a Subtenant for any sales, retail excise, use, privilege, or retailers occupation or any other type of taxes now or later imposed by any duly constituted governmental authority;

(ii) the portion of the sales price for all merchandise returned by customers and accepted by a Subtenant for credit to the extent of the credit or refund actually given to the customer as well as rebates, exchanges or allowances made to customers;

(iii) bona fide transfers of merchandise to or from the Concession Premises to any other stores or warehouses of any Subtenant;

(iv) sales of a Subtenant's furniture, fixtures, equipment and other items of personal property not in the ordinary course of a Subtenant's business;

(v) refunds from or the value of merchandise, services, supplies or equipment returned to vendors, suppliers or manufacturers (but excluding display allowances, placement allowances, or other promotional incentives);

(vi) proceeds from the sale of gift certificates or like vouchers until such time as the gift certificates or like vouchers have been treated as a sale in or from the Concession Premises pursuant to a Subtenant's record keeping system;

(vii) the sale or transfer in bulk of the inventory of a Subtenant to a purchaser of all or substantially all of the assets of such Subtenant in a transaction not in the ordinary course of such Subtenant's business;

(viii) insurance proceeds received from the settlement of claims for loss of or damages to Improvements, merchandise, fixtures, trade fixtures and any other Subtenant personal property other than the proceeds of business interruption insurance;

(ix) (a) promotional discount and coupon offers issued to customers to the extent of the value of the discount actually given, if separately stated, and limited in an amount to not more than three percent (3%) of a Subtenant's annual Gross Receipts; (b) the discounted portion of customary discounts given by Subtenant on sales of merchandise or services to a Subtenant's employees, if separately stated, and limited in amount to not more than two percent (2%) of a Subtenant's annual Gross Receipts; (c) the discounted portion of any discounts given by a Subtenant on sales of merchandise or services to

other Airport lessees' employees, the Department or City employees and other employees employed at the Terminal or the Airport, if separately stated; and

(x) shipping, delivery, alteration and gift wrapping charges if there is no profit to a Subtenant and such charges are merely an accommodation to customers (to the extent there is any profit to a Subtenant, such profit shall be included in Gross Receipts).

A **"sale"** is deemed to have been consummated for purposes of this Lease, and the entire amount of the sales price must be included in Gross Receipts, at the time that: (A) the transaction is initially reflected in the books or records of Tenant or its Subtenant; or (B) Tenant or its Subtenant receives all or any portion of the sales price; or (C) the applicable goods or services are delivered to the customer, whichever occurs first.

"Hazardous Materials" shall mean, but shall not be limited to, any oil, petroleum product and any hazardous or toxic waste or substance or any substance which because of its quantitative concentration, chemical, radioactive, flammable, explosive, infectious or other characteristics, constitutes or may reasonably be expected to constitute or contribute to a danger or hazard to public health, safety or welfare or to the environment, including, without limitation, any asbestos (whether or not friable) and any asbestos-containing materials, lead paint, waste oils, solvents and chlorinated oils, polychlorinated biphenyls (PCBs), toxic metals, explosives, reactive metals and compounds, pesticides, herbicides, radon gas, urea formaldehyde foam insulation and chemical, biological and radioactive waste or any other similar materials which are included under or regulated by any Environmental Law.

"International Terminal Use Agreement" shall mean, collectively, the respective agreements entitled the Chicago-O'Hare International Airport International Terminal Use Agreement and Facilities Lease, dated as of January 1, 1990 between and among the City and the respective airlines utilizing the Terminal named therein, and as amended.

"Improvements" shall mean any permanent addition, alteration, annexation or improvement which shall become affixed to the Premises or a portion thereof which cannot be removed, modified or changed without damage to, or destruction of, either itself or the Premises or a portion thereof. Improvements shall include Tenant's Base Building Improvements and Subtenant Fixed Improvements as described in **Article 8.**

"Improvement Costs" shall mean individually and collectively, Tenant's Certified Construction Costs for Tenant's Base Building Improvements and each Subtenant's Certified Construction Costs for each Subtenant's Fixed Improvements, as the case may be, as described in **Article 8**.

"Lease Year" shall mean, for the first (1st) year of the Term, the period commencing on the Earliest Date of Beneficial Occupancy and terminating on the next following December 31, and thereafter each subsequent twelve (12) month period commencing on January 1 and ending on December 31 of each calendar year including any portion of a calendar year during the final year of the Term.

"MAG Effective Date" shall mean the first (1st) day of the calendar month immediately

following a period of twelve (12) consecutive months after the Latest Date of Beneficial Occupancy in which the Minimum Enplanement Threshold has been met in the Terminal. Calculation of the first applicable Minimum Annual Guarantee following the MAG Effective Date shall be based upon the number of Actual Enplaned Passengers in the calendar year immediately prior to the MAG Effective Date. Thereafter, the MAG for each Lease Year shall be based on the number of Actual Enplaned Passengers in the Terminal during the immediately preceding Lease Year.

"**Minimum Enplanement Threshold**" shall mean one million seven hundred thousand (1,700,000) Actual Enplaned Passengers over a period of twelve (12) consecutive months following the Latest Date of Beneficial Occupancy.

"Monthly Certified Statement" shall mean the statement in the form of the "Monthly Certified Statement" attached hereto as **Exhibit L**, which sets forth Tenant's calculation of Premises Rent as defined herein and pursuant to **Section 5.7(a)**, for each prior calendar month or portion thereof during the Term. The Monthly Certified Statement shall be signed by a person authorized to sign for Tenant and shall be certified by a financial officer of Tenant or other authorized representative of Tenant reasonably acceptable to the City. The City may change the form of Monthly Certified Statement from time to time upon thirty (30) days prior written notice to Tenant.

"Monthly Resident General Manager's Report" shall mean the report to be submitted by Tenant which shall include a summary of Subtenant sales performance, marketing and promotions initiatives and events, ACDBE participant updates and other operational matters and issues. The Monthly Resident General Manager's Report shall be signed by the Resident General Manager.

"Operating Costs" shall mean those costs paid or incurred by Tenant in maintaining and repairing the Premises and utility and mechanical systems serving the Premises (excluding capital expenditures, as determined in accordance with generally accepted accounting principles); taxes paid by Tenant for the Premises (but not including income or franchise taxes); and costs of utility services (such as natural gas, water, sewerage and electricity) consumed in the Premises to the extent not metered and billed separately to a Subtenant Premises by a utility provider.

"Operating Equipment" shall mean any trade furniture, trade furnishings, trade equipment, signs, trade appliances and trade fixtures that are fabricated, furnished, installed and used by Tenant or its Subtenants in the Premises. Operating Equipment shall not include Tenant's Base Building Improvements or Subtenant Fixed Improvements as described in **Section 8.4**.

"Person" shall mean a corporation, association, partnership, limited partnership, limited liability company, joint venture, trust organization, business, individual or government or any governmental agency or political subdivision thereof.

"Plans and Specifications" shall mean those plans and specifications of Tenant or its Subtenants as described in the Construction Documents and prepared with regard to any

Improvements during the Term of this Lease.

"Premises" shall mean, prior to the redevelopment of the Concession Program, collectively, the Transition Premises, the Storage Premises, and the Office Premises as shown on **Exhibit A**; during the Redevelopment of the Concession Program, collectively the Transition Premises, the New Concession Premises, the Storage Premises and the Office Premises as shown on **Exhibit A**; after the Redevelopment of the Concession Program, collectively, the New Concession Premises, the Storage Premises, the Office Premises and, if applicable, the Additional Concession Premises as shown on **Exhibit A**.

"Ramp Area" shall mean that portion of the apron adjacent to the Gates and associated airfield ramp areas, but not including any taxiways and runways, in which aircraft maneuver on the ground, park or are serviced between flights.

"Redevelopment" shall mean the redevelopment of the Premises as described in **Section 2.1(c)**.

"Relocation Space" means space to which Tenant must relocate a Concession Premises or Storage Premises at the request of the Commissioner after the Effective Date pursuant to **Article 2**.

"Scope of Work" shall mean the Work as described in the Construction Documents related to the Improvements.

"Shell and Core" shall mean the Premises as delivered by the City on the Effective Date and those improvements to the New Concession Premises to be completed by the City as may be required in this Lease, and with respect to Additional Concession Premises or Relocation Space, as may be agreed in writing by the Commissioner.

"Street Prices" shall have the meaning set forth in **Section 14.3** of this Lease.

"Subtenant" shall mean a Subtenant of Tenant as approved by the Department in accordance with **Article 15** hereof.

"Subtenant Fixed Improvements" shall mean those Improvements constructed by the individual Subtenants in their respective Subtenant Premises and does not include any Subtenant Operating Equipment.

"Subtenant Premises" shall mean the total Concession Premises and Storage Premises leased to a Subtenant pursuant to a Sublease, which may be amended from time to time as additional space may be added or the Subtenant Premises may be deleted from or relocated during the term of the Sublease in accordance with the provisions of this Lease. Subtenant Premises shall be used for operation of the Concession Program and the storage of merchandise, and equipment needed for a Subtenant's business operation and for no other purpose unless otherwise approved in writing by the Commissioner.

"TDCPM", shall have the meaning set forth in **Section 8.16** of this Lease.

"Terminal" shall mean Terminal 5 of the Airport.

"Use Agreements" shall mean collectively those certain airport use and facility lease agreements between the City and the airlines operating out of the domestic terminals of the Airport regarding the use and operation of the Airport, as amended or executed from time to time.

"Work" shall mean everything necessary for the design, engineering, construction and installation of the Improvements; when referring to restoration of Improvements after Major Damage, it means everything necessary for the replacement, repair, rebuilding, or restoration of the Improvements.

1.3 Attachments. The following documents attached hereto as Exhibits and are hereby made a part hereof:

Exhibit A	Premises, Transition Premises, Office Premises, Storage Premises and New Concession Premises
Exhibit B	List of Initial Subtenants and Respective Concession Operations
Exhibit C	Special Conditions Regarding ACDBE Participation and ACDBE Compliance Plan
Exhibit D	Special Conditions Regarding MBE/WBE Participation and MBE/WBE Compliance Plan
Exhibit E	Design and Construction Provisions
Exhibit F	Redevelopment, Construction Phasing and Opening Schedule
Exhibit G	Form of Letter of Credit/Payment and Performance Bond
Exhibit H	Economic Disclosure Statements and Affidavits
Exhibit I	Prevailing Wage Rates
Exhibit J	Airport Concessions Handbook
Exhibit K	Form of Annual Certified Statement
Exhibit L	Form of Monthly Certified Statement
Exhibit M	Service and Performance Operating Standards
Exhibit N	Utilities Matrix
Exhibit O	Sustainable Airport Manual
Exhibit P	Tenant and Subtenant Insurance Requirements

ARTICLE 2

CONCESSION PREMISES, OFFICE PREMISES AND STORAGE PREMISES; RIGHTS OF TENANT AND SUBTENANTS

2.1 Premises.

(a) Grant of Premises. Subject to the terms and conditions contained herein, the City hereby leases to Tenant and Tenant hereby accepts from the City, the Premises for the Term and at the Rent herein described and hereby grants to Tenant the right to act as the exclusive developer and manager of the Terminal's Concession Program solely in the Premises pursuant to the terms and provisions of this Lease and for the Permitted Uses as described below.

(i) The Premises shall include the area from above the floor slab on which the space is located, to beneath the slab of the floor (or roof) above the space, and shall include the inner surfaces of the perimeter walls of the space, perimeter doors and windows but shall not include the land under or adjacent to the Terminal, the roof or any utility or telecommunications lines, antennas, mains, shafts pipes, conduits, ducts, wires or other building systems running through and not exclusively serving the Premises.

(ii) Subject to those rules and regulations promulgated by the Commissioner, Tenant and the Subtenants shall have such rights of ingress and egress to and from the Premises over the Terminal's Common Areas and other public areas of the Airport as may be reasonably necessary for Tenant, the Subtenants and their respective employees, agents, and Contractors and for each of their equipment and vehicles. Tenant and its Subtenants shall control all of their respective vehicular traffic on the Airport, take all precautions as may be reasonably necessary to promote the safety of passengers, customers, business visitors and other persons, and employ such means as may be reasonably necessary to direct movements of any such vehicular traffic.

(iii) Tenant agrees that the City retains the right to place in, through or over the Premises utility lines, mains, telecommunication lines, antennas, shafts, pipes, ducts, conduits, wires, and the like for the use and benefit of the City and other tenants and occupants of the Airport and to replace and maintain, repair and relocate such lines, antennas, mains, shafts, pipes, ducts, conduits, wires and the like, in, over and upon the Premises. When exercising its rights under this Section, the City agrees to use reasonable efforts not to materially interfere with Tenant's or its Subtenants' use of the Premises. Any such lines, antennas, mains, pipes, shafts, ducts, conduits, wires and the like in, through, or over the Premises shall not be deemed to be a part of the Premises.

(b) City's Delivery of the Premises/Shell and Core. The City is responsible for providing the Premises in its current AS-IS WHERE-IS condition. The City makes no warranty, either express or implied, as to the design or condition of the Premises, including the Shell and Core, or the suitability of the Premises, including the Shell and Core, for the Tenant's purposes or needs. The City is not responsible for any patent or

latent defect, and Tenant must not, under any circumstances, withhold any amounts payable to the City under this Lease on account of any defect in the Premises, including the Shell and Core. If feasible, the City will assign to Tenant any warranties obtained from the City's contractor for the Shell and Core and/or the right to enforce City's rights under its contract for the Shell and Core.

(c) Tenant's Redevelopment Obligations. Pursuant to **Article 8** hereof and as further described in **Exhibit F**, Tenant shall be responsible for the redevelopment of the Concession Program which shall consist of the following: (i) the relocation of the security checkpoint, (ii) removal of four travelators (moving sidewalks), (iii) demolition of one of the existing pre-security restrooms and reconfiguration of the other existing pre-security restrooms (half for ladies and half for men), (iv) re-demising of all Subtenant Concession Premises, (v) the remodel, fit out and furnishing of all common food court seating areas and providing power feeds from existing base building electrical rooms and panels to the Concession Premises as well as extending water and gas utilities lines and facilities from existing base building connection points within the Terminal as needed (the "**Redevelopment**"). Tenant, or the Subtenants shall be solely responsible for any and all costs and expenses associated with any utility use and consumption increases required by the Redevelopment, including extending any required utility lines within the Terminal from the existing base building connection points to the Premises. Except as expressly set forth in this Lease, in no event shall Tenant be reimbursed for its costs and expenses in connection with the Redevelopment. The Redevelopment requires the complete realignment of the existing Transportation Security Agency ("**TSA**") security checkpoints and the City shall be responsible for obtaining the TSA approval of the Redevelopment as well as the approval of the airlines operating in the Terminal. Tenant shall provide assistance to the City in obtaining such approvals. All such approvals shall be obtained in a timely manner by the City so as not to adversely impact the Construction Phasing and Opening Schedule as set forth in **Exhibit F**. Should the City not obtain such approvals on a timely basis or should the City fail to obtain all necessary approvals, the Parties shall meet in good faith to mutually agree on appropriate adjustments to both the scope of work of the Redevelopment that may be reasonably necessary in order to obtain all required approvals and the Construction Phasing and Opening Schedule shall be appropriately adjusted to reflect any such delays incurred or changes in the scope.

Tenant shall be responsible for the identification of any Hazardous Materials that may be encountered during the construction for the Redevelopment and shall report any such Hazardous Materials so encountered to the Department and the City. The City, at the City's sole cost and expense, shall be responsible for the remediation and/or removal of any such Hazardous Materials and shall also be responsible for obtaining the approval of any inspections or certifications related to any such Hazardous Materials which may be required by applicable laws in order for Tenant to perform the construction of the Base Building Improvements for the Redevelopment and for the Subtenants to perform the construction of the Subtenant Fixed Improvements for the New Concession Premises.

(d) New Concession Premises. Upon the completion of the Redevelopment by Tenant and the completion of the construction of the New Concession Premises by the

Subtenants, the New Concession Premises, the Storage Premises and the Office Premises shall be re-measured pursuant to BOMA standards and the approximate square footage set forth in Article 1 hereof shall be adjusted accordingly to reflect the actual measurement and be reflected in an amendment to this Lease. Thereafter, if at any time during the Term of this Lease, the New Concession Premises is reduced by the City to an area that is less than seventy-seven percent (77%) of the area of the actual New Concession Premises as measured pursuant to this Section, the Minimum Annual Guarantee shall be automatically and equitably adjusted retroactively to the initial date in which the Concession Premises were so reduced in accordance with the following formula: the then current Minimum Annual Guarantee shall be multiplied by a fraction, the numerator of which is the total Gross Receipts generated from the remaining New Concession Premises during the 12 month period immediately following the reduction of the New Concession Premises and the denominator of which is the total Gross Receipts generated from the existing New Concession Premises during the 12 month period immediately prior to the reduction of the New Concession Premises. Any overpayments of the Minimum Annual Guarantee made by Tenant until such determination of the equitable adjustment shall be made shall be credited against Rent due and owing to the City from Tenant until the full amount of the credit has been applied against Rent.

Further, the City hereby guarantees to Tenant that during the Term, the New Concession Premises shall be no less than 16,000 square feet. The City hereby agrees that in the event that the New Concession Premises be additionally reduced by the City to less than 16,000 square feet at any time during the Term, in addition to the equitable adjustment of the Minimum Annual Guarantee per Actual Enplaned Passenger set forth in this Section, Tenant shall automatically be granted an additional five (5) year option to extend the Term as provided in **Article 4** and shall have the right to pursue any other rights and remedies it might have at law or in equity.

2.2 Additional Concession Premises. During the Term, the Commissioner shall have the right, but not the obligation, in his/her absolute and sole discretion, to add square feet of space to the Concession Program for additional concession operations (**"Additional Concession Premises"**) and Tenant shall have the exclusive right to exercise its option to add the Additional Concession Premises to the Concession Program pursuant to the terms of this Section. In event that the Commissioner determines to make Additional Concession Premises available to Tenant, the Commissioner will send written notice to Tenant to advise Tenant of the following:

a. size and location, including a lease outline drawing of the Additional Concession Premises;

b. whether the Additional Concession Premises are being offered as food and beverage, duty free, news, specialty retail or service concessions; and

c. the City's Shell and Core obligations and Tenant's (or its Subtenants) Improvement obligations for the Additional Concession Premises.

Within ninety (90) days after receiving the written notice from the Commissioner, Tenant

must notify the Commissioner if it accepts or rejects the Additional Concession Premises. Upon notification from Tenant to the Commissioner that Tenant accepts the Additional Concession Premises, the Additional Concession Premises will be added to the Premises as of the Date of Beneficial Occupancy for such Additional Concession Premises, as applicable, under this Lease and **Exhibit A** shall be modified accordingly. Upon notification from Tenant to the Commissioner that it rejects the Additional Concession Premises or if Tenant fails to notify the Commissioner within ninety (90) days that it accepts the Additional Concession Premises, the offer will terminate and the Commissioner may offer the Additional Concession Premises to any other third parties. Nothing set forth above requires the Commissioner to offer any Additional Concession Premises to Tenant.

Notwithstanding anything to contrary contained herein, in the event Additional Concession Premises are added to this Lease as provided in this Section, Tenant shall first cause the New Concession Premises to be completely occupied and subleased to Subtenants and the following Percentage Rent rates will be applicable for each new location within the Additional Concession Premises leased for the operation of each of the following types of concessions: (1) Specialty Retail – eleven percent (11%); (2) Food & Beverage – ten percent (10%); (3) Newsstands and News & Gifts – fifteen percent (15%); (4) Duty Free – twenty three percent (23%); and (5) Services – ten percent (10%). Notwithstanding the foregoing, should a vacancy in the New Concession Premises be of a different concession category type than the proposed use for the Additional Concession Premises, Tenant shall be permitted to enter into Subleases for any such locations within the Additional Concession Premises in accordance with the rates specified above without first subleasing the vacancy in the New Concession Premises.

2.3 Relocation Space. The Commissioner may at any time during the Term require Tenant to vacate or to cause its Subtenants to vacate any portion of the Premises and relocate a Subtenant's operations in those affected portions of the Premises to another location within the Terminal ("**Relocation Space**") when, in the sole discretion of the Commissioner, the portion of the Premises to be relocated is necessary for other Airport or airline operational purposes or with respect to Airport security requirements. In such an event:

(i) The Commissioner will notify Tenant in writing within a reasonable period of time prior to the date that the affected portion of the Premises need to be vacated and the affected Subtenants' operations moved to the Relocation Space. Such notice will be not less than one hundred twenty (120) days in advance of the proposed relocation. To the extent practicable, the City will endeavor not to require Tenant or its applicable Subtenant to move from the affected Concession Premises being vacated before the City completes the construction and Improvements to the Relocation Space and the Relocation Space is ready to be open for business to the public, but the portion of the Premises being vacated may be needed for other Airport operational purposes prior to the completion of Improvements in the Relocation Space.

(ii) The Department shall use its best efforts to provide Relocation Space which is a comparable location in terms of size, exposure to Actual Enplaned Passengers, and the ability to generate the same level of Subtenant Gross Receipts as existed in the portion of the Concession Premises to be vacated. If the affected Premises are Concession Premises and the Relocation Space is not acceptable in Tenant's (or its applicable Subtenant's) reasonable good faith business judgment, Tenant may reject the Relocation Space by notifying the Commissioner in writing no later than thirty (30) days after Tenant receives the Commissioner's notice. If Tenant (or any of its affected Subtenants) reject the Relocation Space, then Tenant shall terminate the Sublease for the affected portion of the Premises on the date for the relocation set forth in the Commissioner's notice. If Tenant (or its applicable Subtenant) rejects the Relocation Space, Tenant shall be issued a credit, equal to the unamortized portion of Tenant's Certified Construction Costs, and if applicable, its Subtenant's, Certified Construction Costs, as determined under **Article 8**, and as approved by the Commissioner, for the portion of the Premises being vacated, against Rent due and owing to the City from Tenant until the full amount of the credit has been applied against Rent. Such Certified Construction Costs shall not include costs for Tenant's or its Subtenant's Operating Equipment or other personal property or any portion of the Improvements not specifically designed due to unique characteristics for the vacated Premises that can reasonably be moved and used by Tenant or its Subtenant in the Relocation Space or in other locations as determined in Tenant's or its Subtenant's sole but reasonable discretion.

(iii) Except when Tenant (or its applicable Subtenant) rejects Relocation Space and is reimbursed by the City for the unamortized portion of Tenant's Certified Construction Costs and if applicable, its Subtenant's Certified Construction Costs pursuant to (ii) above, the City is responsible, at its sole cost and expense, for all costs incurred in the relocation or replication of the Improvements in the portion of the Premises being vacated, including the cost of moving Tenant's or its Subtenants' Operating Equipment, other items of personal property and merchandise, inventory and the cost of constructing replacement Improvements in the Relocation Space comparable to the Improvements in the portion of the Premises being vacated as of the date of relocation, to the extent comparable Improvements do not already exist in the Relocation Space. In the case of a relocation, Tenant or its Subtenants must promptly vacate the portion of the Premises required to be vacated and as to which this Lease is being terminated on the date specified in the Commissioner's notice and return that portion of the Premises in as good condition as existed as of the date that the City gave Tenant possession of the Premises being vacated normal wear and tear and damage by casualty excepted, unless the Commissioner otherwise agrees in writing. Because the City is replacing Improvements in kind, Tenant is not entitled to any credit for unamortized Improvement Costs for the portion of the Premises being vacated, and the unamortized Improvement Costs for the portion of the Premises being vacated will deemed to be the unamortized Improvement Costs for the Relocation Space and continue to be amortized on the same schedule as the portion of

Premises being vacated.

(iv) In the event the Relocation Space is rejected by Tenant or its applicable Subtenant and the Lease is terminated as to the affected portion of the Concession Premises pursuant to (ii) above, then the Minimum Annual Guarantee as of such date will be automatically and equitably adjusted retroactive to the date in which the Concession Premises was required to be vacated in accordance with the following formula: the then current Minimum Annual Guarantee shall be multiplied by a fraction, the numerator of which is the total Gross Receipts generated from the remaining portion of the Concession Premises during the twelve (12) month period immediately following the surrender of the affected portion of Concession Premises and the denominator of which is the total Gross Receipts generated from the Concession Premises during the twelve (12) month period immediately prior to the surrender of the affected portion of the Concession Premises. Any overpayments of the Minimum Annual Guarantee made by Tenant until such determination of the equitable adjustment shall be made shall be credited against Rent due and owing to the City from Tenant until the full amount of the credit has been applied against Rent.

2.4 Permitted Uses. The Premises shall be used only for the purposes of redeveloping, marketing, managing, and subleasing the Premises for the operation of Concession Program in the Terminal which shall include, but not be limited to, the following types of concessions: specialty retail, food & beverage, newsstand, news & gifts, duty free and miscellaneous services (**"Permitted Uses"**) in accordance with the provisions specified herein, and for no other purpose whatsoever.

2.5 Prohibited Uses. Tenant shall not use the Premises for any use not specifically granted herein without the prior written approval of the Commissioner, which approval may be granted or withheld by the Commissioner, in its sole and absolute discretion. Prohibited uses expressly agreed to include the following: (a) foreign currency exchange services; (b) banking and other financial services; (c) automated teller machines; (d) display of revenue generating advertising by Tenant or its Subtenants in a manner inconsistent with the City's advertising program then in effect; (e) luggage cart services; (f) luggage services; (g) public telephone and communication or coin-operated telephone services; (h) WI-FI internet services/access; (i) parking; (j) ground transportation services; (k) catering (both in-flight and for airline clubs); (l) in-flight duty-free retailing; and (m) coin operated vending machines (collectively, the **"Prohibited Uses"**). With respect to advertising, the foregoing shall not prohibit Tenant from marketing and promoting the Concession Program within the Terminal (including, but not limited to concession directories, maps and brochures) as well as the Subtenants advertising within the Subtenant Premises.

2.6 Appurtenant Rights. Tenant, its Subtenants and their respective employees, agents and contractors shall have the right as appurtenant to the Premises, subject, however, to Tenant's compliance with the terms and conditions of this Lease, including, without limitation, Tenant's maintenance and repair obligations set forth in **Section 8.3**, Tenant's

insurance and indemnification obligations set forth in **Article 11**, the limitations on Tenant's use set forth in **Article 6**, and Tenant's compliance with all applicable non-discriminatory rules and regulations established from time to time by the City including those set forth herein, to the non-exclusive use, in common with others, of the Common Areas (those which are not a part of the Premises), subject to the exclusive control and management thereof at all times by the City, for the purposes of moving to and from the Premises to engage in the uses of the Premises permitted in this Lease, provided that the City reserves the right to make any changes which it deems appropriate to said Common Areas, including without limitation, relocation or elimination of all or any part of said Common Areas in the City's sole discretion, to assure public safety and convenience or to assure efficient operation of the Terminal and/or the Airport. The City shall use reasonable efforts so as to not prevent access and/or substantially impair access to the Premises in connection with any such changes to the Common Areas.

2.7 Rights Regarding Personal Property in the Premises. Tenant and its Subtenants shall retain title and ownership to all of Tenant's and its Subtenants' personal property in the Premises except in the event of deemed abandonment. The City owns all other property at the Premises, including the Shell and Core and Improvements and all base building utility facilities and associated infrastructure but Tenant and its Subtenants shall have a leasehold interest in all Improvements so constructed by Tenant and its Subtenants during the Term of this Lease.

ARTICLE 3

SUBLEASING TO SUBTENANTS

3.1. Nature of Subtenants. It is the intention of the parties hereto that Tenant shall enter into Subleases with approved Subtenants in accordance with the terms of this Lease. Subtenants shall be capable of running a first-class operation and servicing international customers, and shall include a mix of nationally and regionally recognized and local entities.

3.2 Selection of Initial Operators. The City hereby consents to Tenant's proposed list of the Subtenants set forth in **Exhibit B** as the "**Initial Operators**" of those Concession Program operations listed therein, identified as to type and location. Any replacement of a Subtenant or change in the character of a Subtenant's business is subject to the prior approval of the Commissioner, such approval to be determined on a commercially reasonable basis. The City also consents to the existing operators and any Initial Operators who may operate concessions in the Transition Premises during the Redevelopment.

3.3 Selection of Other Subtenants. With the exception of the Initial Operators and existing operators, all Subtenants shall be selected by Tenant from a list of qualified Subtenants developed by Tenant from time to time. Selection of such qualified Subtenants shall be based on a merit-based qualification system involving a fair competitive evaluation process managed by Tenant (such process shall not be required to be a public request for proposal process) or pursuant to terms otherwise approved in the Commissioner's sole

but reasonable discretion. It is understood and agreed that names of prospective Subtenants may be added to or deleted from said list from time to time and that the inclusion of any given party on said list shall not provide any assurance that said party will in fact be selected as a Subtenant. The Commissioner's consent to any given Subtenants shall not exempt said Subtenants from the foregoing qualification process with respect to any additional space other than the space then subleased to said Subtenants (other than expansion space added pursuant to an expansion option contained in said Subtenant's Sublease), or with respect to any extension or renewal of the term of said Subtenant's Sublease beyond the initial term of said Subtenant's original term and any renewal periods contained therein. The selection process, the proposed type of business and all Subtenants are subject to prior written approval by the Commissioner, which approval shall not be unreasonably withheld, conditioned or delayed taking into consideration both the goals of the City and the goals of Tenant, and the purpose of this Lease. Tenant shall obtain and provide copies of any required Economic Disclosure Statements from prospective Subtenants as part of the Commissioner's approval process.

3.4 Standard Sublease Agreement.

(a) Tenant shall prepare a standard sublease agreement ("**Sublease**") in accordance with the terms and conditions of this Lease. The Sublease shall not prejudice or conflict with any of the City's rights under this Lease, or applicable laws, rules or regulations. To the extent that Tenant is required under this Lease to cause any Concession Program operations to be operated in a certain manner or wherever, in order to give effect to Tenant's obligations hereunder, it shall be necessary or desirable to impose corresponding obligations directly upon the Subtenants, said obligations shall be incorporated in the Sublease as may be determined from time to time in the sole discretion of Tenant.

(b) The Sublease shall provide that each Sublease is and shall be subject and subordinate to this Lease and in the event of any conflicts between the terms and provisions of any Sublease and this Lease, this Lease shall be controlling. In the event any approved Sublease shall extend (either by virtue of its term or by virtue of holding over with City consent) beyond the expiration or earlier termination of this Lease, Tenant shall all assign of its right, title and interest in and to all of the Subleases to the City or such third party designated by the Commissioner as of the effective date of any such expiration or termination of this Lease and the City or such third party designated by the Commissioner may assume such right, title and interest in and to all of such Subleases as of the date thereof pursuant to a mutually satisfactory assignment and assumption agreement between the Parties. Further, if this Lease is terminated due to a default by Tenant under this Lease, prior to expiration of the term of the Subleases (the date of such termination is referred to herein as the "**Termination Date**"), then Tenant shall be required to assign all of the Subleases to the City or any other third party selected by the City, to assume the rights and obligations of Tenant under such Subleases. In such event, the rights and obligations of Tenant under each such Sublease shall be deemed to have been assigned and transferred to the City or such other third party designated by the Commissioner as of such Termination Date and said Subtenant shall be deemed to have

made full and complete attornment to the City or such other third party for the balance of the term of such Sublease without any action or confirmation from Subtenants and, further, in such event, upon request from the Commissioner, said Subtenants shall enter into a new Sublease with the City or such other third party on the same terms and conditions as the Sublease that has been transferred.

(c) The Sublease shall also provide that, if the City assumes the rights and obligations of Tenant under any Sublease, the City shall have the right at any time, by providing written notice thereof to the Subtenants, to assign its rights, title and interest under such Sublease to a third party selected by the City, and from and after the effective date of such assignment, the City shall no longer have any obligation or liability under the Sublease.

(d) The Sublease shall further provide that, in no event shall the City or such other third party designated by the Commissioner to assume Tenant's rights and obligations under the Sublease Agreement be liable for (i) any prior acts or defaults of Tenant under the Sublease, (ii) completion of any Improvements relating to said Subtenant's Premises, or (iii) return of any security deposits of said Subtenant except to the extent said sums (specified as such with specific reference to the Sublease pursuant to which it was deposited) have been transferred to the City or such other third party.

(e) Tenant agrees that it shall not require any Subtenants to pay the monthly rental or license payments under its Sublease more than two (2) months in advance of its respective due date. The Sublease shall provide for the obligation of the Subtenants to pay the greater of: (A) a minimum annual guarantee fee (each such fee being referred to herein as a "**Subtenant's Guarantee Fee**"), or (B) a Percentage Rent ("**Subtenant Percentage Rent**") based on the Gross Receipts of the applicable Subtenant Premises, and shall contain restrictions similar to the restrictions on Transfers set forth in this Lease or as provided for otherwise in an approved Sublease. The Sublease may provide for the pass-through of Operating Costs to Subtenants and Subtenants' contributions to the capital improvements costs to be incurred by Tenant for the Redevelopment (also known as "key money" contributions in the industry), if any, which shall be retained by Tenant and not considered to be Rent hereunder. Those additional charges which Tenant shall be entitled to include in Operating Costs shall include:

(i) Marketing Fee. A Marketing Fee in the amount of one-half of one percent (0.5%) of each Subtenant's monthly Gross Receipts (the "**Marketing Fee**") for the purposes of advertising, publicity, promotional materials, events, directories, customer service training and other activities appropriate for marketing the Concession Program at the Terminal as determined by Tenant from time to time (the "**Marketing Program**") shall be collected by Tenant from each Subtenant and shall be retained by Tenant for such use. Tenant shall prepare and submit an annual budget and plan for the Marketing Program which shall be subject to the prior written consent of the City, such consent not to be unreasonably, withheld, conditioned or delayed. Tenant shall have the right to negotiate specific contributions for any Subtenant as long as the amount contributed does not exceed

one-half of one percent (0.5%) of monthly Gross Receipts.

(ii) CAM Fund. A pro rata share of Common Area maintenance costs and real estate taxes associated with any common areas of the Premises not sublet to Subtenants as well as any centralized charges for services rendered by third party vendors which Tenant may determine to have provided for all Subtenants for items such as storefront cleaning, trash removal, pest control, grease trap cleaning and other miscellaneous services (the "**CAM Fund**"). To the extent there is a shortfall in the CAM Fund following any annual reconciliations of the each Subtenants share of the total costs and expenses incurred, such shortfall shall be Tenant's sole responsibility. Tenant may require the Subtenants in the food court to perform the cleaning and maintenance thereof in lieu of charging such Subtenants a pro rata share of such costs for the CAM Fund.

(iii) Utilities. Subtenants shall be required to pay for the installation of separate meters or check meters for the Subtenant Premises and for the consumption of all utilities used in connection with the operations of the Subtenant in the Subtenant Premises.

(iv) Impositions. A pro rata share of Impositions that may be levied or assessed from time to time with respect to the Premises, Tenant's or the Subtenants leasehold interests in the Premises and with respect to the conduct of any operations under this Lease.

(v) City Charges. A pro rata share of any other sums charged by the City to Tenant pursuant to this Lease such as costs for security badges and any logistical support or distribution fees, for example.

Tenant shall negotiate the terms of the respective Subleases in such a manner that the obligations to pay for all pass-through items shall be apportioned on an equitable basis among similarly-situated Subtenants, to the extent that such items are not metered and billed separately to said Subtenants. Tenant shall not charge a separate management fee to the Subtenants separate from the Subtenant rent.

(f) The Sublease shall also grant to the City the direct right to enforce the provisions of the Sublease in the event of an emergency or if the same involves life safety or Airport security issues at the Commissioner's election in the place and stead of Tenant.

(g) The Sublease shall also provide that Tenant and its Subtenants will work cooperatively in attempting to retain existing concession employees working at the Transition Premises on the Earliest Date of Beneficial Occupancy. This will be accomplished by giving the existing concession employees working at the Transition Premises on the Earliest Date of Beneficial Occupancy preferential interviews for jobs that will be created and/or retained at the New Concession Premises.

3.5 Documentation of Agreement with Subtenants. All agreements with Subtenants shall be made in the form of the Sublease approved by the Commissioner. Any material modifications to the form of the Sublease negotiated with a particular Subtenant shall be subject to the Commissioner's prior approval, such approval not to be unreasonably withheld, conditioned or delayed, prior to Tenant entering into a such a Sublease with a Subtenant. The Commissioner's approval of all of the proposed terms and conditions of the Sublease, including without limitation, the proposed rent, term, the nature of the proposed Subtenant's business and the compatibility of the proposed use with the other Concession Program operations at the Terminal and with the objective of achieving an appropriate mix of Concession Program operations, shall be granted, withheld or conditioned by the Commissioner on a commercially reasonable basis. The amortization period applicable to any given Sublease shall be equal to either: (i) the term of the Sublease, or (ii) the useful life of the asset, whichever period is shorter. Tenant may make immaterial modifications to the Sublease without the approval of the Commissioner but shall identify in writing all such modifications to the Commissioner when the Sublease is submitted for approval. In order to facilitate the Commissioner's review process, Tenant shall furnish the Commissioner with drafts of all proposed Subleases, marked to identify all variations, if any, from the standard form of Sublease and the Commissioner shall indicate his or her approval or disapproval to Tenant within thirty (30) days. Should the Commissioner fail to approve or disapprove the Sublease within such thirty (30) day period, then the Sublease shall be deemed approved and Tenant shall be permitted to enter into such Sublease. Tenant shall furnish the Commissioner with a copy of all such executed Subleases, and no such Sublease shall be amended to modify the Subtenant's rent, the permitted use, Subtenant's responsibilities and operating hours, ACDBE participation or any other material provisions of the Sublease without the prior written consent of the Commissioner, determined in his or her sole and absolute discretion. Other proposed non-material amendments shall also be subject to the prior written consent of the Commissioner, such approval not to be unreasonably withheld, conditioned or delayed.

3.6 Defaults Under Subleases. Tenant shall promptly notify the Commissioner of any default by any Subtenant involving the failure of such Subtenant to pay any sums when due under its Sublease or any other material events which, with the passage of time or the giving of notice, or both, would constitute a default on the part of any Subtenant under its Sublease, including but not limited to failure to comply with the ACDBE Special Conditions. Tenant shall provide the Commissioner with copies of all notices of default delivered to any Subtenant promptly following the delivery of any such notice to Subtenant. Tenant shall utilize commercially reasonable and diligent efforts to enforce Subtenant's obligations under said Sublease.

3.7 Providing Continuous Concession Program Operations.

(a) In the event a Subtenant ceases operating for any reason, Tenant shall use commercially reasonable efforts to provide for interim operation of the affected Concession Premises such that said Concession Premises are re-opened as soon as reasonably possible under the circumstances (taking into consideration the level of Actual Enplaned Passengers in the Terminal at the time of any such cessation), but in any event within sixty (60) days unless Tenant reasonably demonstrates to the Commissioner's satisfaction that the level of Actual Enplaned Passengers does not justify operations in that location. Tenant may, but shall in no event be obligated to, conduct such concession operations on an interim basis not to exceed six (6) months, during which time Tenant shall act diligently to procure a suitable substitute Subtenant. Alternatively, Tenant is entitled to have a Subtenant who already is operating at the Premises or any other suitable third party to operate such Concession Premises on an interim basis not to exceed one (1) year, during which time Tenant shall act diligently to procure a suitable substitute permanent Subtenant (which may include the Subtenant or other suitable third party conducting the interim operations). All such interim operations of such Concession Premises shall be subject and subordinate to the terms and provisions of this Lease and shall be in writing, the form and content of which is subject to the prior approval of the Commissioner, such approval not to be unreasonably withheld.

(b) In the event a Subtenant's Premises are operated on an interim basis, the permanent replacement Subtenant shall be selected in accordance with this Lease. The occurrence of a default by any Subtenant under its Sublease, or the termination by a Subtenant of its concession operations, shall not release Tenant from any of its responsibilities hereunder, including, without limitation, those regarding compensation to the City and using good faith efforts to maintain ACDBE compliance.

(c) In the event: (a) Tenant fails use commercially reasonable efforts to enforce Subtenants' obligations to continuously provide concession operations pursuant to the Sublease, or (b) the interim agreements described in this paragraph last for a period in excess of one (1) year without the consent of the Commissioner, the parties have agreed that if any portion of the Concession Premises is not being thereafter operated during the term of this Lease in accordance with this Lease, then, Tenant shall pay the City, as liquidated damages, and not as a penalty, the amount of $300.00 per day. Such liquidated damage payment shall continue from the date concession operations cease until the earlier of (i) the date concession operations resume, or (ii) the date of termination of this Lease. Said liquidated damages shall be paid monthly in arrears and shall be deemed Additional Rent.

(d) Notwithstanding anything to the contrary herein contained, in the case of the cessation of concession operations by any Subtenant for any reason during the final three (3) years of the Term, Tenant's failure to procure a suitable permanent Subtenant in accordance with this Section shall not constitute a breach of Tenant's obligations under this Lease provided Tenant shall have made, and shall continue to make, a commercially reasonable and diligent effort to procure a suitable Subtenant in accordance with this

Lease and shall continue to cause concession operations to be conducted in the Concession Premises in question.

ARTICLE 4

TERM

4.1 Term.

(a) Primary Term. This Lease is in full force and effect upon the Effective Date. The term of this Lease (**"Term"**) commences on the Effective Date and expires at 11:59 p.m. on the day that is the 20th anniversary of the Latest Date of Beneficial Occupancy of the New Concession Premises set forth herein as shown on **Exhibit A** unless this Lease is terminated earlier in accordance with its terms. The Term shall not be extended beyond the expiration or earlier termination of this Lease due to the inclusion of any Additional Concession Premises which may be added from time to time during the Term. Once the Latest Date of Beneficial Occupancy is determined, the City and Tenant shall enter into a letter agreement confirming the Latest Date of Beneficial Occupancy and the expiration date of this Lease.

(b) Option to Extend. Upon mutual agreement of the Commissioner and Tenant, this Lease may be extended for one (1) additional period of five (5) years (**"Extended Term"**), on the same terms and conditions as set forth in this Lease. Should either Party not be in agreement to so extend the Term, such Party must give notice of its intent no later than twenty-four (24) months prior to the Expiration Date. If this Lease is not so extended and the City has not executed a new management agreement with a new manager before the Expiration Date, Tenant and the City shall negotiate in good faith to have Tenant continue to provide concession management services on a mutually agreeable fee basis until such new manager is in place.

(c) Automatic Extensions. Tenant shall automatically be entitled to the Extended Term as determined in Tenant's sole discretion upon the occurrence of any of the following events. In such event, Tenant shall provide written notice of exercise of the Extended Term to the Commissioner within a reasonable period of time following the occurrence of any of the such events:

(i) Reduction of New Concession Premises - Should the New Concession Premises be reduced by the Department to be less than 16,000 square feet at any time during the Term;

(ii) Reduction in Actual Enplaned Passengers - Following the MAG Effective Date, if the Actual Enplaned Passengers in a Lease Year are five percent (5%) less than the Minimum Enplanement Threshold for a period of three (3) consecutive years at any time during the Term; or

(iii)Restriction/Prohibition of Key Duty Free Products - The sale of either tobacco,

liquor, perfumes and/or cosmetics (the "**Key Duty Free Products**") on a duty free basis in the United States is materially impacted due to legislative requirements, changes in law, rules or regulations regarding the sale of any category of such Key Duty Free Products on a duty free basis, or to the extent the sale of any category of such Key Duty Free Products on a duty free basis in the Terminal is either prohibited or restricted at any time during the Term for a period in excess of twelve (12) consecutive months.

All of the terms and provisions of this Lease shall be applicable during the Extended Term and unless the context otherwise specifically requires, all references in this Lease to "Term" shall also include the Extended Term.

4.2 Termination. (a) Unless earlier terminated in accordance with its terms, this Lease shall terminate on the Expiration Date specified in **Section 1.1**, without the necessity of notice, and Tenant hereby waives all rights to any notice to terminate, vacate or quit the Premises except as may otherwise be expressly provided for in this Lease. Tenant hereby waives any and all rights of redemption, granted by or under any present or future Law (as hereinafter defined) in the event it is lawfully evicted or dispossessed for any lawful cause, or in the event the City obtains possession of the Premises in any other lawful manner. Such termination of the Lease, as provided herein, and the removal, restoration and surrender obligations of Tenant shall in no way give rise to any claims for or rights to payment to Tenant by the City, including without limitation, (i) any and all awards in the nature of land damages under applicable Laws, and (ii) any and all rights under the terms of this Lease, and (iii) incidental, consequential or severance damages on account of Tenant's occupancy and/or abandonment of the Premises; and (iv) any reimbursement to Tenant or its Subtenants for any Improvements.

(b) (b) Notwithstanding anything to the contrary set forth in this Lease, following the tenth (10^{th}) anniversary of the Latest Date of Beneficial Occupancy, the Commissioner shall have a one-time option, to terminate this Lease without cause for any reason, in the Commissioner's sole discretion, upon one hundred eighty (180) days prior written notice to Tenant ("**City's Termination Notice**"). For the Commissioner to exercise this one-time option to terminate this Lease, the Commissioner must give the City's Termination Notice to Tenant no later than ninety (90) days following the tenth (10^{th}) anniversary of the Latest Date of Beneficial Occupancy. Upon such notice, Tenant shall fulfill its surrender obligations in accordance with the applicable provisions of this Lease. If the City elects to terminate this Lease without cause as provided herein, this Lease shall automatically terminate upon the expiration of one hundred eighty (180) days after the date of the City's Termination Notice ("**Effective Termination Date**"). Upon the Effective Termination Date, Tenant shall assign to the City, and the City shall assume from Tenant, all of the Subleases then in effect with respect to the concession program in the Terminal. If the City shall not elect to exercise or fail to timely exercise its option to terminate this Lease as provided in this Section 4.2(b) above, then this Lease shall remain in full force and effect in accordance with its terms and the City shall not have any further right of termination pursuant to this Section 4.2.

In the event of any such early termination by the City under this Section 4.2(b), the City shall pay to Tenant, a Lease Termination Payment (which shall be defined herein to include Tenant's Unamortized Investment and Demobilization Fee as such terms are defined below) as follows: (i) a sum equal to the unamortized balance of the Tenant Certified Construction Costs in the amount previously approved by the City in accordance with Section 8.5, depreciated using the straight-line method over the Term, commencing on either the Latest Date of Beneficial Occupancy in the case of Tenant's initial Base Building Improvements which are completed on or before the Latest Date of Beneficial Occupancy or commencing on the date first placed into service in the case of any refurbishments made to Tenant's Base Building Improvements subsequent to the Latest Date of Beneficial Occupancy (collectively, "**Tenant's Unamortized Investment**"); and (ii) a sum equal to one hundred ten percent (110%) of the rents payable by Subtenants to Tenant under the Subleases during the tenth (10^{th}) year following the Latest Date of Beneficial Occupancy less amount of Premises Rent required to be paid by Tenant to the City as Rent hereunder for such tenth (10^{th}) following the Latest Date of Beneficial Occupancy ("**Demobilization Fee**"). The City shall remit the Lease Termination Payment to Tenant on or before the Effective Termination Date. Following the receipt of the Early Termination Payment by the City to Tenant and the assignment and assumption of the Subleases as contemplated by this Section 4.5, the City and Tenant shall thereafter be released from any and all obligations under this Lease except for any the Parties' respective obligations which shall have accrued or which shall be arising out of events occurring prior to the Effective Termination Date or which are expressly stated to survive the expiration or earlier termination of this Lease.

4.3 Holding Over.

(a) Without Commissioner Objection. Except as provided in (b), any holding over following expiration or termination shall constitute a tenancy from month-to-month on the same terms and conditions as this Lease, including payment of the Rent attributable to the portion of the Premises Tenant and its Subtenants continue to occupy. Tenant and its Subtenants must surrender and vacate any portion of the Premises no later than thirty (30) days following written notice from the Commissioner that the month-to-month tenancy is being terminated.

(b) Despite Commissioner Objection. If the Commissioner notifies Tenant in writing that holding over is not allowed, or if the Commissioner notifies Tenant that any holdover month-to-month tenancy is being terminated as to any portion of the Premises, and Tenant continues to hold over after receipt of such written notice, Tenant must thereafter pay Rent at one hundred fifty percent (150%) the annual rate of the Rent payable, on a per diem basis, during that portion of the last calendar year falling within the Term of this Lease.

(c) No occupancy of the Premises by Tenant after the expiration or earlier termination of this Lease (in its entirety or as to the portion of the Premises in question) extends the Term of this Lease with respect to the portion of the Premises, except as a holdover tenancy. Tenant and its Subtenants shall be required to vacate and surrender any portion

of the Premises during the holdover tenancy in accordance with notices from the Commissioner from time to time to accommodate any of the City's replacement tenant's construction and commencement of operations. In the event of any unauthorized and willful occupancy after such expiration or termination, Tenant must indemnify the City against all damages arising out of the retention of occupancy, and all insurance policies and letters of credit required to be obtained and maintained by Tenant as set forth in this Lease must continue in effect.

4.4 Surrender.

(a) At the termination or expiration of this Lease as to any portion of the Premises, Tenant and its Subtenants shall promptly, peaceably, quietly and in good order quit, deliver up and return the Premises (or that portion as to which the Lease has terminated, in the case of a partial termination) in good condition and repair, ordinary wear and tear and damage by fire or other casualty excepted. Except as provided below, Tenant and its Subtenants must remove all of Tenant's personal property from the Premises or the affected portions of the Premises within three (3) days following the date of termination or expiration of this Lease. All Improvements installed by or for Tenant and each of its Subtenants shall remain in the Premises and shall in no event shall be required to be removed by Tenant or its Subtenants. Tenant shall or shall cause its Subtenants to repair any damage to the Concession Premises caused by Tenant's or its Subtenant's removal of personal property, trade fixtures and other items which Tenant or its Subtenants are permitted to remove. All the removal and repair required of Tenant under this Section are at Tenant's sole or its Subtenant's cost and expense.

(b) If Tenant or its Subtenants fail to perform any of their obligations, then the Commissioner may cause the obligations to be performed and Tenant shall pay the cost of the performance, together with interest thereon at the Default Rate from and after the date the costs were incurred until receipt of full payment therefor. Tenant shall be permitted to pass through any such costs and expenses to applicable Subtenants as the case may be. Any property of Tenant not or its Subtenants removed by Tenant or its Subtenant's in accordance herewith is deemed abandoned and the Commissioner may dispose of it as she sees fit, without any liability to Tenant or any other person.

(c) Any Improvements remaining in the Premises shall become property of the City, except that all of Tenant's or its Subtenant's trade dress, service marks, trademarks and trade names must be removed, obliterated or painted out in a commercially reasonable manner at Tenant's or its Subtenant's cost, within three (3) days following the expiration or termination of the Term.

4.5 Intentionally omitted.

4.6 Termination Due to Change in Airport Operations. This Lease is subject to termination by either party on sixty (60) days written notice in the event of any action by the Federal Aviation Administration ("**FAA**"), the TSA or any other governmental entity or the issuance of an order by any court of competent jurisdiction which prevents or restrains

the use of the Airport, the Terminal or a portion thereof for commercial aviation purposes that renders performance under this Lease by either Party impossible, and which governmental action or court order remains in force and is not stayed by way of appeal or otherwise, for a period of at least ninety (90) days, so long as the action or order is not the direct and specific result of any Event of Default of Tenant.

ARTICLE 5

RENT, REPORTS AND AUDITS

5.1 Rent

(a) Rent. In consideration of Tenant's use of the Premises and the right to develop sublease, market and manage the Concession Program in the Terminal and the associated rights and privileges granted in this Lease, Tenant shall pay to City as Rent for each Lease Year the following:

(i) During the period commencing on the Earliest Date of Beneficial Occupancy through and including the MAG Effective Date, the Rent shall be equal to the Percentage Rent.

(ii) From and after the MAG Effective Date, the Rent shall be equal to the Premises Rent, as may be adjusted from time to time in accordance with this Lease.

The Minimum Annual Guarantee applicable to the first and last Lease Year shall be prorated if less than a full twelve (12) calendar months.

(b) Notwithstanding the foregoing, following the MAG Effective Date, if the total number of Actual Enplaned Passengers in any single Lease Year is five percent (5%) less than the Minimum Enplanement Threshold for a period of two (2) consecutive Lease Years, the Minimum Annual Guarantee shall be temporarily abated in its entirety until such time as there have been Actual Enplaned Passengers in excess of the Minimum Enplanement Threshold for a period of two (2) consecutive Lease Years. During any period when the Minimum Annual Guarantee is temporarily abated, Tenant shall pay the Percentage Rent and if applicable, the Additional Concession Percentage Rent.

(c) Further and notwithstanding the foregoing, if at any time during the Term, the sale of either tobacco, liquor, perfumes and/or cosmetics (the "**Key Duty Free Products**") on a duty free basis in the United States is materially impacted due to legislative requirements, changes in law, rules or regulations regarding the sale of any category of such Key Duty Free Products on a duty free basis, or to the extent the sale of any category of such Key Duty Free Products on a duty free basis in the Terminal is either prohibited or restricted at any time during the Term, the Percentage Rent rate of sixteen percent (16%) shall be automatically and equitably adjusted retroactive to the initial date in which the sale of one or more of the categories of such Key Duty Free Products were prohibited or restricted in accordance with the following formula: the

Percentage Rent rate of sixteen percent (16%) shall be multiplied by a fraction, the numerator of which is total Gross Receipts generated from the duty free locations during the twelve (12) month period immediately following the date when prohibition or restriction went into effect with respect to the sale of any of the categories of the Key Duty Free Products and the denominator of which is total Gross Receipts generated from the duty free locations during the twelve (12) month period immediately preceding the date when prohibition or restriction went into effect with respect to the sale of any of the categories of the Key Duty Free Products. In addition, should the Subtenants operating the duty free locations demonstrate to Tenant's and the City's satisfaction that the restriction or prohibition on the sale of Key Duty Free Products has had a material adverse impact on their profit margins and as a result, has requested rent relief, then the City and Tenant shall negotiate in good faith for a similar equitable adjustment to the then current Minimum Annual Guarantee for both Tenant and the applicable Subtenants.

(d) Additional Rent. The following items shall be considered as Additional Rent hereunder:

(i) Distribution Fee. During the Term of this Lease, the City shall have the right, but not the obligation, to establish a central receiving and distribution facility for Subtenant concession operations at the Airport. In the event such central facility is established, Tenant shall require Subtenants to pay their proportionate share of the costs of developing, operating and maintaining such facility and the costs of transporting such deliveries from the facility to one or more designated locations within the Terminal (the **"Distribution Fee"**). To the extent there is a shortfall in the amount collected by Tenant from the Subtenants to cover such proportionate share following any annual reconciliations of the amount of the Distribution Fee, such shortfall shall be Tenant's sole responsibility to pay to the City.

(ii) Impositions. Tenant must timely pay, as and when due, any and all taxes, assessments, fees, and charges levied, assessed or imposed by a governmental unit upon this Lease, the Premises, Tenant's leasehold or upon Tenant's personal property, including but not limited to all permit fees and charges of a similar nature for Tenant's conduct of any business or undertaking in the Premises (collectively, **"Impositions"**). Tenant must provide Commissioner a copy of all notices relating to leasehold taxes on the Premises within thirty (30) days after receipt and must provide the Commissioner with a receipt indicating payment of leasehold taxes on the Premises when due. Nothing in this Lease precludes Tenant from contesting the amount of an Imposition, including those taxes or charges enacted or promulgated by City; but Tenant must not contest the applicability of an Imposition in connection with the Premises. Failure of Tenant to pay any Imposition when due, except to the extent that Tenant is contesting the amount of the Imposition, will constitute an Event of Default. Tenant shall include this provision in all Subleases.

(iii) Any other amounts expressly identified as Additional Rent in this Lease.

Tenant shall be entitled to charge a proportionate share of Additional Rent to its Subtenants in an equitable and non-discriminatory manner.

5.2 Time of Payments.

(a) Commencing on the Earliest Date of Beneficial Occupancy, Tenant shall pay to the City on or before twentieth (20th) day following the expiration the preceding calendar month commencing with the second (2nd) month following the Earliest Date of Beneficial Occupancy:

(i) Percentage Rent for the preceding calendar month; and

(ii) the Additional Rent attributable to the preceding calendar month;

Tenant shall also pay Impositions if and when due following the Earliest Date of Beneficial Occupancy to the appropriate governmental agencies and shall continue to pay Impositions throughout the Term of this Lease.

(b) Commencing on the MAG Effective Date, Tenant shall pay to the City:

(i) the Minimum Annual Guarantee, in equal consecutive monthly installments equal to one-twelfth (1/12th) of the Minimum Annual Guarantee, which shall be due and payable on or before the first (1st) day of each month. The Minimum Annual Guarantee shall be prorated for any partial calendar month;

(ii) the amount, if any, by which the actual Percentage Rent and Additional Concession Percentage Rent (if any) for the preceding calendar month exceeds the monthly installment of the Minimum Annual Guarantee for such month, which shall be due and payable on or before twenty (20) days following the expiration of the preceding calendar month; and

(iii) the Additional Rent attributable to the preceding calendar month which shall be due and payable on or before twenty (20) days following the expiration of the preceding calendar month.

5.3 No Waiver or Setoff. Payment of Rent other than Impositions by Tenant to the City shall not be considered to be a tax and shall be in addition to and exclusive of all license fees, taxes, or franchise fees which Tenant may now or in the future be obligated to pay to the City. Tenant's obligations to pay Rent hereunder is independent of each and every other covenant and agreement contained in this Lease and Tenant shall pay all Rent without any setoff, abatement, counterclaims or deduction whatsoever except as otherwise expressly provided in this Lease. Tenant's obligation to pay Rent shall be absolute and unconditional. Acceptance by the City of any payment or partial payment of Rent, liquidated damages or other fees or charges shall not constitute a waiver of any right on

the part of the City. No such payment shall be deemed to be other than a payment on account of the earliest Rent then due, nor shall any endorsement of any check or payment be deemed an accord and satisfaction unless specifically agreed to in writing by the City, and the City may accept such check or payment without prejudicing in any way its right to recover the balance of such Rent.

5.4 Material Underpayment or Late Payment. Without waiving any other remedies available to the City, if: (i) Tenant underpaid Rent due in any calendar year by more than 5%; or (ii) Tenant failed to make any Rent payments within ten (10) days following notice of such nonpayment from the City, then, in either such event, Tenant shall pay, in addition to the amount due the City as Rent, interest on the amount of underpayment or late payment at the Default Rate. Interest on the amount underpaid accrues from the date on which the original payment was due until paid in full and shall be considered Additional Rent. The provision for the payment of interest does not constitute an authorization by the City of underpayment or late payment.

5.5 Security Deposit

(a) Form of Security Deposit.

(i) Tenant must provide the City no later than the one hundred twenty (120) days following the execution of this Lease with an irrevocable, unconditional sight draft Letter of Credit in favor of the City in the amount equal Five Hundred Thousand Dollars ($500,000.00). Effective on the Latest Date of Beneficial Occupancy, this Letter of Credit shall be amended to reflect an amount equal to three (3) months of the first Lease Year's Minimum Annual Guarantee. The Letter of Credit and any replacements or renewals of it must be issues with an expiry date of at least one (1) year after the respective dates of issuance or renewal and must be maintained by Tenant, through and including the date that is ninety (90) days after the expiration of the Term. The Letter of Credit must be in the form set forth in **Exhibit G** or as otherwise approved by the City's Corporation Counsel.

(ii) In lieu of the Letter of Credit, Tenant may provide cash or a cashier's check in the same amount for immediate deposit in the City's accounts. The Letter of Credit, cash or cashier's check, as applicable, is referred to in this Lease as the "**Security**." The Security secures the faithful performance by Tenant of all of Tenant's obligations under this Lease. The Commissioner is entitled to draw on any such Letter of Credit unless proof of renewal of the Letter of Credit or a replacement Letter of Credit in form and substance satisfactory to the Corporation Counsel has been furnished to the Corporation Counsel at least thirty (30) days before its expiration date. The City will hold the proceeds as a cash Security to secure the full and faithful performance of Tenant's obligations under this Lease. The Commissioner is not obligated to pay or credit Tenant with interest on any Security.

(iii) The Commissioner also is entitled to draw on the Letter of Credit in whole or in part upon the occurrence of an Event of Default, in which event the Commissioner is entitled to apply all or any part of the proceeds of it or any cash or other Security deposited by Tenant and held by the City for the payment of any obligation of Tenant arising before or after the Event of Default.

(iv) The Letter of Credit must provide that the Commissioner may draw upon the Letter of Credit in whole or in part upon the delivery by the Commissioner to the issuer of the Letter of Credit of a demand for payment, purportedly signed by the Commissioner, together with a written statement that the Commissioner is entitled to draw upon the Letter of Credit under the terms of this Lease. If amounts are drawn upon the Letter of Credit or amounts of a cash Security are applied by the Commissioner in accordance with the terms of this Lease, Tenant must reinstate the Letter of Credit or cash Security to its full amount required in this Lease within ten (10) days following receipt of written notification by the Commissioner of the City's draw upon the Letter of Credit or use of the cash Security. The rights reserved to the Commissioner or the City under the Letter of Credit or any cash Security are in addition to any rights they may have under this Lease or under law.

(b) Qualified Issuers. The Letter of Credit called for in this Lease must be issued by companies or financial institutions having a rating of "A" or better as determined by Standard and Poor's or by Moody's Investors Service, Inc., or a net worth of at least $500,000,000.00 unless otherwise approved in writing by the Commissioner. If any draw requires personal appearance by a City representative, such shall occur at a location in Chicago or, if the issuer does not have an office in Chicago, the City shall be entitled to draw on the Letter of Credit for any travel expenses incurred by the City.

(c) Right to Require Replacement of Letter of Credit. If the financial condition of the institution issuing the Letter of Credit materially and adversely changes, the Commissioner may, at any time, require that the Letter of Credit be replaced with a Letter of Credit from another institution and in accordance with the requirements set forth in this Section.

(d) No Excuse from Performance. None of the provisions contained in this Lease nor in the Letter of Credit required under this Lease excuse Tenant from faithfully performing in accordance with the terms and conditions of this Lease or limit the liability of Tenant under this Lease for any and all damages in excess of the amounts of the Letter of Credit.

(e) Non-Waiver. Notwithstanding anything to the contrary contained in this Lease, the failure of the Commissioner to draw upon the Letter of Credit required under this Lease or to require Tenant to replace the Letter of Credit at any time or times when the Commissioner has the right to do so under this Lease does not waive or modify the Commissioner's rights to draw upon the Letter of Credit and to require Tenant to maintain or, as the case may be, replace the Letter of Credit, all as provided in this **Article 5**.

5.6 Reports.

(a) Monthly. Tenant must furnish to the Commissioner on or before the twentieth (20th) day of each calendar month falling wholly or in part within the Term of this Lease a complete statement, certified by a authorized representative of Tenant, showing in all reasonable detail, the amount of Gross Receipts derived from each Subtenant's Concession Premises and by category of concession during the preceding month and the Minimum Annual Guarantee, Percentage Rent and Additional Concession Percentage Rent due from Tenant for the preceding calendar month (the "**Monthly Certified Statement**").

(b) Annually.

(i) Tenant also must furnish to Commissioner no later than one hundred twenty (120) days following the end of each Lease Year and within one hundred twenty (120) days after the expiration or termination of this Lease, a complete statement of the amount of Premises Rent payable by Tenant for such Lease Year certified by an independent certified public accountant engaged by Tenant, showing in all reasonable detail the amount of the Minimum Annual Guarantee, Percentage Rent and Additional Concession Percentage Rent due from Tenant for the preceding Lease Year (the "**Annual Certified Statement**"). The Commissioner may, from time to time, reasonably require upon not less than thirty (30) days prior written notice to Tenant, copies of all Subtenant returns and other information filed with respect to Illinois sales and use taxes as well as such copies of the respective annual certified statements received from Subtenants, and other reasonable financial and statistical reports as requested.

(ii) Tenant's Annual Certified Statement must include a breakdown of Subtenant Gross Receipts generated by the Concession Program for each Subtenant by location. Tenant's Annual Certified Statement shall include a standard non-qualified opinion of an independent certified public accountant as to the accuracy of the Annual Certified Statement.

(iii) Tenant shall require each Subtenant's annual certified statement to be opined by an independent certified public accountant which shall include the following language, or language of similar purport:

> "We, a firm of independent certified public accountants, have examined the accompanying financial statement of [Subtenant] for the year ended _____ relating to its operations at the Terminal pursuant to a Sublease dated _____, 20__. Our examination was made in accordance with generally accepted accounting principles and, accordingly and, includes such tests of the accounting records and such other procedures as we

considered necessary in the circumstances.

In our opinion, the accompanying financial statement presents accurately the amount of [Subtenant] Gross Receipts and the total Rentals due as defined in the Sublease for the year ended _____."

(c) All such reports and statements described in this **Article 5** shall be prepared on a form approved by the Commissioner, such approval not to be unreasonably withheld. If Tenant fails to timely furnish to the Commissioner any Monthly Certified Statement or Annual Certified Statement required under this Lease or if the independent certified public accountant's opinion is qualified or conditioned in any material manner, the Commissioner has the right (but is not obligated) without notice, to conduct an audit of Tenant's and, as needed, Subtenants' books and records and to prepare the statements at Tenant's sole cost and expense. Tenant must also provide the Commissioner with such other reasonable financial or statistical reports and information concerning the Concession Program or any part thereof, in the form as may be reasonably required from time to time by the Commissioner.

5.7 Adjustments Based Upon Annual Certified Statements. In the event that the Annual Certified Statement required under **Article 5** indicates an underpayment for any Lease Year or portion thereof of the Term, Tenant shall pay the difference between the amounts paid under **Article 5** and the amount due based on the Annual Certified Statement and if such underpayment is in excess of two percent (2%), Tenant shall also pay interest thereon at the Default Rate from the date or dates when such amounts were originally due. Such payment shall be made no later than fifteen (15) days from the time that the Annual Certified Statement is due. In the event that the Annual Certified Statement indicates an overpayment for any Lease Year or portion thereof during the Term, the City, upon approval of such Annual Certified Statement, shall reimburse Tenant, for the difference between the amounts paid by Tenant under **Article 5** and the amount due based upon the Annual Certified Statement or as a credit against future payments of Rent hereunder until fully applied. In the event that this Lease is terminated in accordance with the terms hereof, such reimbursement shall be made as a lump sum payment within ninety (90) days after the expiration or earlier termination of this Lease.

5.8 Books, Records and Audits.

(a) Except as provided below, Tenant shall cause its Subtenants to prepare and maintain at their respective principal business offices located in the United States and to make the same available for inspection in Chicago full, complete and proper books, records and accounts in accordance with generally accepted accounting procedures relating to and setting forth the Gross Receipts, both for cash and on credit, and must require and cause its operations personnel to prepare and keep books, source documents, records and accounts sufficient to substantiate those kept by the Subtenants. The books and source documents to be kept by the Subtenants shall include true copies of all federal, state and local tax returns and reports, daily receipts from all sales and other pertinent

original sales records and records of any other transactions conducted in or from the Concession Premises by anyone conducting business in or from the Concession Premises. Pertinent original sales records for Subtenants are to include: (i) cash register tapes, including tapes from temporary registers; (ii) sequentially numbered transactions; (iii) original records indicating that merchandise returned by customers was purchased at each Subtenant Premises by the customers; (v) detailed original records of any exclusions or deductions from Gross Receipts; (vi) sales tax records; and (viii) such other sales records, if any, that would normally be examined by an independent accountant under accepted auditing standards in performing an audit of the Gross Receipts. Tenant or its Subtenants (as the case may be) must maintain any such books, records, and source documents in a secure location for a period of five (5) years following the expiration of each Lease Year during this Lease and for the same period following the final Lease Year.

(b) Tenant shall cause each of its Subtenants to record at the time of each sale or other transaction, in the presence of the customer, all receipts from the sale or other transaction, whether for cash, credit or otherwise, in a POS System having a cumulative total that must be sealed in a manner approved by the Commissioner and that must possess such other features as reasonably required by the Commissioner. The books, records and accounts, including any sales tax reports that Tenant and its Subtenants may be required to furnish to any government or governmental agency, must at all reasonable times be open to the inspection (including the making of copies or extracts) of the Commissioner, the Commissioner's auditor or other authorized representative or agent at Tenant's or the applicable Subtenant's principal business office located in the United States (with copies thereof to be made available for inspection within the City of Chicago, if so requested by the Commissioner) for a period of at least three (3) years after the expiration of each calendar year falling wholly or in part within the Term. All of the costs and expenses incurred in any such examination or inspection by the City shall be at the City's sole cost and expense except as otherwise provided in this Lease. Tenant shall conduct audits of the books and records of its Subtenants from time to time as Tenant deems necessary or desirable and shall conduct such an audit of each Subtenant at least once every three (3) Lease Years. Notwithstanding the foregoing, Tenant shall not be required to audit the books and records of any Subtenant more often than once per Lease Year and not more often than two (2) times over a period of three (3) Lease Years.

(c) The acceptance by the Commissioner of payments of any Premises Rent is without prejudice to the Commissioner's right to conduct an examination of the Tenant's books and records related to Rent and/or its Subtenant's books and records relating to Gross Receipts at the Concession Premises, in order to verify the amount of Rent due hereunder and to verify the amount of Gross Receipts made in and from the Concession Premises.

(d) After providing Tenant at least three (3) days prior written notice, the Commissioner may inspect the books and records of any Subtenant but shall provide five (5) days prior written notice in the case of inspection of Tenant's books and records. Further, at its option, the Commissioner may at any reasonable time, upon no less than

ten (10) days prior written notice to Tenant cause a complete audit to be made of Tenant's entire records relating to the Concession Premises for the period covered by any statement issued by Tenant as above set forth. If the audit discloses that Tenant's statement of Rent is understated to the extent of:

(i) Three percent (3%) or more, Tenant must promptly pay the City the cost of the audit in addition to the deficiency (and any interest on the deficiency at the Default Rate), which deficiency is payable in any event; and if

(ii) Five percent (5%) or more due to Tenant's fraudulent or willful misconduct, an Event of Default is considered to have occurred, and the City shall have in addition to all other remedies available under this Lease, at law, or in equity, the Commissioner has the right to terminate this Lease immediately upon giving notice to Tenant, without any opportunity for Tenant to cure.

In addition to the foregoing, and in addition to all other remedies available to the City, if Tenant or the City's auditor schedules a date for an audit of Tenant's records and Tenant fails to be available or otherwise fails to comply with the reasonable requirements for the audit, Tenant must pay all reasonable costs and expenses associated with the scheduled audit.

5.9 Lien. In addition to any liens as may arise under Illinois law, the City has a contractual lien under this Lease on all property, including Tenant's personal property located on the Premises, as security for non-payment of any Rent due.

ARTICLE 6

TRANSFERS OTHER THAN SUBLEASES

6.1 City.

The City expressly reserves the right to sell, assign or otherwise transfer all or any part of its interest under this Lease, at any time and to any third party. Upon the effective date of such a sale, assignment or transfer, the City is forever relieved, from and after such date of any and all obligations arising under or out of this Lease, to the extent such obligations are assumed by the buyer, assignee or transferee.

6.2 Tenant.

(a) Transfers. Except as expressly provided elsewhere in this Lease, neither this Lease nor any interest of Tenant in this Lease or the leasehold created hereby shall be directly or indirectly sublet, sold, assigned, transferred, mortgaged, pledged or otherwise disposed of or encumbered (each considered a "Transfer") without the express written consent of the City. A change in ownership or control of Tenant, either directly or indirectly, shall be deemed a Transfer.

(b) City Consent. Whenever City consent is required, a Transfer of all of Tenant's interest in this Lease or the leasehold created hereby shall require consent of the City Council of the City of Chicago, which may be withheld in the sole discretion of the City Council, and a Transfer of less than all of Tenant's interest shall require consent of the Commissioner. In determining whether or not to consent to a Transfer, City will take into account, without limitation, the promotion of a competitive environment at the Airport in light of the then-existing circumstances, the proposed use of the Premises by any transferee, the balanced utilization of the Airport facilities, operational considerations relating to the characteristics of the proposed transferee, the financial condition of the proposed transferee and the impact on City"s ability to exercise control over the Airport. Consent by City to any type of Transfer shall not in any way be construed to relieve Tenant from obtaining further authorization from City for any subsequent Transfer of any nature whatsoever.

(c) Transfers not requiring City Consent..

(i) Transfers to Affiliates. Tenant may effect a Transfer to an Affiliate of Tenant without City consent with sixty (60) days' prior notice to the City, provided that: (i) the proposed transferee Affiliate is in compliance with all of the legal requirements of this Lease, (ii) the proposed transferee Affiliate is sufficiently financially responsible, experienced and capable to perform Tenant's obligations under this Lease, (iii) the proposed transferee Affiliate assumes all of Tenant's obligations under this Agreement, (iv) in the Commissioner's reasonable opinion, the Transfer will not have a material adverse effect upon the Airport or operation of the Terminal, (v) no Event of Default then exists and (vi) the transferee Affiliate executes the City's EDS form and certifies therein compliance with all laws and ordinances referenced.

(ii) Transfers Due to Trading on a National or International Exchange. Transfers that are changes in ownership of Tenant due to trading in or issuance of a parent company's stock or other forms of ownership interests on a national or international exchange shall not be subject to City consent; however, Tenant shall promptly notify the City of any such change in ownership which would require disclosure of a new owner or disclosure of other changes in percentage ownership on the then-current version of the City's EDS form, and Tenant shall submit revised EDS form(s) accordingly. As used in this provision, "national or international exchange" means the New York Stock Exchange, the American Stock Exchange, or their foreign equivalent.

(d) Tenant to Remain Primarily Liable. Notwithstanding any Transfer, with or without City consent, Tenant shall remain fully liable for the payment of all of its fees and fully responsible for the performance of all of its other obligations hereunder, except where the City Council consents to the Transfer and expressly relieves Tenant of such liability and responsibility.

(e) Requests for City Consent. Any and all requests by Tenant for City consent to a Transfer shall be made in writing to City. Upon request by City, Tenant shall provide

copies of the proposed documents of Transfer. Requests for City consent to a Transfer shall completely disclose any and all monetary and non-monetary considerations made or to be made to Tenant for said Transfer and shall include completed EDSs from the proposed transferee. Any or all of the requests by Tenant for consents under this Section must be made in writing and provided to the Commissioner (a) at least 60 days prior to the proposed Transfer if the Commissioner's consent is required; and (b) at least 120 days prior to a proposed Transfer if the City Council's consent is required, unless the City determines that more time is required.

(f) City's Right to Collect from Transferee. If any Transfer shall occur, with or without City consent, City may collect fees and other sums to be paid under the Lease from any assignee, sublessee or other transferee of Tenant, and in such event shall apply the net amount collected to the fees and other sums payable by Tenant hereunder without such action by City releasing Tenant from any of its obligations hereunder. If any Transfer requiring City consent shall occur without City consent, and if City collects fees and other sums from the transferee and applies the net amount collected in the manner described in the preceding sentence, such actions by City shall not be deemed to be a waiver of the consent requirement or constitute acceptance of such transferee.

(g) Transfers Without City Consent Void. Any Transfer requiring City consent made without such City consent shall be void and of no effect. Further, any such Transfer shall constitute an Event of Default subject to all remedies, including termination of this Lease at the City's option, and does not relieve Tenant of any of its obligations under this Lease for the balance of the Term. This Section applies to prohibit a Transfer, such as an assignment by a receiver or trustee in any federal or state bankruptcy, insolvency or other proceedings or by operation of law. Under no circumstances will any failure by the Commissioner to act on or submit any request by Tenant or any Subtenant to City Council or to take any other action as provided in this Lease be deemed or construed to constitute consent to the Tenant's or any Subtenant's request by the Commissioner or by the City Council.

(h) Excess Rent. In the event of a permitted Transfer of all or any portion of the Premises or Transfer of all or any portion of the Term, where the fees or rent payable to Tenant exceed the Rent or pro rata portion of the Rent payable by Tenant to City under this Lease, as the case may be, for the Premises or Term, Tenant must pay the City monthly, as Additional Rent, at the same time as the monthly installments of other Rent under this Lease that are payable in monthly installments, the excess of the fees or rent payable to Tenant pursuant to the Transfer over the Rent payable to the City under this Lease.

(i) City Expenses. All reasonable costs and expenses actually incurred by the City in connection with processing its consent to a proposed Transfer shall be payable to the City as Additional Rent.

(j) Subleases. Although Subleases are not considered Transfers for purposes of this Article, similar restrictive provisions on Transfers will be included in every Sublease so

that Subtenants may not Transfer their Subleases or their interests in them without Tenant and City consent.

ARTICLE 7

CONCESSION MANAGEMENT AND OPERATIONS

7.1 Concession Plan. Tenant shall develop, market, manage and sublease the Concession Program so as to provide a first-class, high-quality customer service oriented Concession Program in accordance with the Concession Plan. The initial Concession Plan shall be deemed to be the plan for operation of the Terminal's concessions as contained in the Tenant's Proposal. Tenant may propose amendments or modifications to the Concession Plan from time to time, subject to the approval of the City which may be granted or withheld in its sole and absolute discretion. Further, the City shall have the right to direct Tenant to alter or modify the Concession Plan as it deems reasonably necessary or appropriate to meet the demonstrated needs of Actual Enplaned Passengers in the Terminal.

7.2 Tenant's Concession Management Program Responsibilities. In managing and operating the Concession Program, Tenant shall, without limitation, perform the following duties:

(a) Develop, market, manage, and sublease the Concession Program pursuant to the terms of this Lease;

(b) Enter into Subleases of the Concession Premises and any Storage Premises, as the case may be, in accordance with the Concession Plan. All Subtenants (other than the Initial Operators and the existing operators as defined in **Article 3**) shall require the written consent of the City, and their Subleases shall be subject to and subordinate to this Lease. As provided in Article 3, Subleases shall contain similar enforcement clauses (including, without limitation, default and penalty clauses) to those contained in this Lease, shall be consistent with this Lease and shall be otherwise substantially similar to the Sublease form submitted by Tenant and approved by the City pursuant to **Section 3.4** hereof;

(c) Bill and use its best efforts to collect all amounts payable to Tenant by each and every Subtenant pursuant to the terms of the respective Subleases;

(d) Monitor the sales activity of each and every Subtenant;

(e) Ensure that the Subtenants operate in a manner comparable to retailers in first-class dining and retail projects in the Chicago metropolitan area and so as to not interfere with Airport operations or create any hazardous situation;

(f) Conduct audits of Subtenant compliance with the Service and Performance Operating Standards as provided below;

(g) Continuously manage the Concession Plan and Concession Program and cause its Subtenants to continuously operate in accordance with this Lease;

(h) Monitor and use commercially reasonable and good faith efforts to enforce the compliance by all Subtenants of all ACDBE requirements as set forth in this Lease;

(i) Use good faith efforts to assist the City's Construction Manager to monitor and report Tenant's and Subtenants' compliance with their respective MBE/WBE Participation Plans;

(j) Maximize the financial return to the City and Tenant and, in addition, provide quality services to the public in accordance with the pricing policies set forth in this Lease;

(k) Understand and implement those changing trends in the retail, food and beverage, news & gifts and service industries, to the extent permitted to do so under the Subleases;

(l) Attend meetings at the request of the Commissioner with respect to Tenant's obligations under this Lease and issues related to the Concession Plan and Concession Program. Tenant shall cause members of its Operational Staff as defined below or senior employees or staff (and, if needed, Subtenant representatives) to attend such meetings as may be reasonably requested by the Commissioner;

(m) Provide the City with such data and information with respect to the Concession Plan and Concession Program as the City may reasonably request from time to time, including sales forecasts; and

(n) Oversee, manage, and use diligent efforts to enforce all obligations by Subtenants with the provisions of this Lease and the respective Subleases. Tenant shall not unjustly discriminate among Subtenants in the enforcement of their Subleases.

7.3 Service to the Public. Tenant acknowledges and agrees that the Concession Program operations are an important service to users of the Terminal and vital for the economic development of the City, and that therefore Tenant and the Subtenants shall conduct themselves in a first-class, businesslike, efficient, courteous and accommodating manner. Tenant shall, and shall cause the Subtenants to, render those public services generally performed by parties providing concession operations at the Airport, including, without limitation, making reasonable change, giving directions, welcoming and assisting international travelers and assisting the public generally. Tenant shall have the authority to manage and administer the Concession Program, subject to the rights of the City specified herein to direct Tenant in order to ensure that the Airport operates in the most effective and efficient way possible, and to supervise the performance of Tenant and the Subtenants as provided in this Lease.

7.4 Maximization of Business. Tenant covenants to take all reasonable measures to maintain, develop and facilitate the increase of the business conducted by the Subtenants and, in

addition, shall provide quality services to the public in accordance with the pricing policies set forth in this Lease. Tenant further covenants that it will not divert or cause or allow to be diverted any business from the Concession Premises to other locations outside of the Terminal.

7.5 Obligation to Discontinue. Tenant agrees to promptly discontinue or remedy any practice of the Concession Program operations or the sales of any items or the offering of any services which are objectionable to the Commissioner and shall use commercially reasonable efforts cause the Subtenants to do likewise. Live entertainment in the Terminal is prohibited without the advance written approval of the Commissioner.

7.6 Annual Marketing Plan. Tenant shall no later than forty-five (45) days prior to the expiration of each Lease Year of the Term, present an annual marketing plan describing the Tenant's strategy for concession operations for the subsequent Lease Year ("Annual Marketing Plan") to the Commissioner for review and approval which approval shall not be unreasonably withheld, conditioned or delayed. Such Annual Marketing Plan shall contain a summary on proposed advertising events, sales promotions, public relations, customer service training for Subtenants and results of Subtenant secret shops and Subtenant employee incentive contests and other items.

7.7 Standards of Service. Tenant shall comply with the following standards of service in the management of the Concession Program.

(a) Staffing/Personnel. Tenant shall employ a full-time trained professional staff ("**Operating Staff**") at all times during the Term of this Lease of sufficient size, expertise, ability, suitability, and experience in retail, customer service and lease management to carry out all of its obligations and responsibilities under this Lease and Tenant shall maintain a sufficient number of Operating Staff on-site at the Premises during the normal business hours of 8:30 am to 5:30 pm local time (but such Operating Staff shall be available at other times as provided below) in accordance with the staffing plan submitted by Tenant (the "**Staffing Plan**"). Such Staffing Plan, upon approval by the City, shall be modified upon the reasonable request of the City. The Parties hereby agree that the Staffing Plan reflects that Tenant's Operating Staff shall be limited to a General Manager, Assistant General Manager – Marketing and Operations and an administrative assistant unless otherwise mutually agreed to in writing by the Parties. Tenant shall cause its Subtenants to maintain a sufficient number of personnel including, without limitation, cashiers, management and supervisory personnel to fully meet the needs of customers during the Service Hours. Tenant's Operating Staff on the Premises shall be available by telephone and/or such other communication device as the City may require during the Service Hours.

(b) Service Hours. The Airport is open for business every day, three hundred sixty-five (365) days per year and is busy during non-traditional working and shopping hours. Accordingly, "**Service Hours**" shall include the hours the Concession Program shall be open as directed by the City from time to time, including without limitation, the hours necessary to provide service for the earliest daily incoming and outgoing flights

(including the provision of service to passengers who arrive in advance of same) and the latest daily incoming and outgoing flights, including non-scheduled activity by charter airlines. To that end, Tenant shall cause its Subtenants to open and operate the Concession Program, during hours directed by the City; provided that, if passenger traffic conditions, flight scheduling, flight delays or other considerations make it necessary, in the reasonable opinion of the City, the Concession Program shall be open at times not then scheduled. The City reserves the right to direct Tenant to change or adjust the Service Hours, and Tenant agrees and covenants to cause the Subtenants to open and adequately staff the Concession Program during the hours directed by the City. The City shall give Tenant at least thirty (30) days notice of any permanent adjustment in Service Hours. In addition, in an emergency, as determined by the City, Tenant shall use commercially reasonable efforts to cause the Subtenants operating essential concessions (such as newsstands and food & beverage concessions) to open or keep open the Concession Program or portions thereof upon two (2) hours prior verbal notice. The Service Hours and the need for flexibility as described herein shall be included in all Subleases.

(c) Customer Service. Tenant's and Subtenant's employees shall provide a high level of customer service consistent with a first class concession program. Tenant's and its Subtenant employees shall be courteous, neat in appearance, appropriately attired and shall use skill and diligence in the conduct of business. Tenant's and Subtenant's employees shall have sufficient knowledge of the Terminal and of the Airport to promptly and courteously direct and assist passengers in and around the Terminal and the Airport, including, without limitation, to airlines, Gates, customer information booths or customer information personnel, baggage carts, ATMs, other concession locations, telephones, rest rooms, escalators and elevators, exits and access to other terminals and ground transportation. No employee of Tenant or its Subtenants shall act in a loud, offensive or otherwise objectionable manner or in a manner detrimental to the best interests of the City. Each Concession Premises shall accept all major credit cards and shall provide change-making services without charge upon request. Tenant shall provide initial and on-going customer service training to its and its Subtenants employees in order to ensure compliance with the specific Service and Performance Operating Standards and to provide a high level of customer service, consistent with a first class food and beverage operation in general. All costs and expenses associated therewith shall be paid from the Marketing Fund.

(d) Concession Premises Facilities and Equipment. Tenant shall cause its Subtenants to operate the Concession Premises in a well-organized, safe, professional, clean and attractive manner and condition. All Operating Equipment shall be maintained in good condition and repair.

(e) Customer Complaints. In the event that Tenant or any of its Subtenants receive any written complaint concerning the Concession Program or any concession operations therein, Tenant shall within twenty-four (24) hours of receipt of such complaint by Tenant forward a copy of the complaint to the Commissioner and Tenant shall or shall cause its Subtenants to respond to such complaint in writing within three (3) days after

receipt thereof and shall make a good faith effort to explain, resolve or rectify the cause of such complaint. Tenant shall submit a copy of its response to complaint to the Commissioner upon issuance of said response if from Tenant or upon receipt of said response if from a Subtenant. If the City receives a written complaint regarding the Concession Program or any concession operations therein, the City shall forward a copy of the same to Tenant and Tenant shall respond as set forth herein.

(f) Resident General Manager/Emergency Contact. In order to assure compliance with the terms, covenants and conditions of this Lease, Tenant shall retain a qualified competent manager suitably experienced and acceptable to the City to provide on-site management of the Concession Program on a full-time basis to manage all of Tenant's obligations and responsibilities under this Lease (the **"Resident General Manager"**). Tenant shall notify the City of the identity of its Resident General Manager and of any changes in such identity. Tenant shall assure that the Resident General Manager or his or her designee, acceptable to the City, is available, by telephone and such other communication device as the City may require, on a 24 hour per day, seven (7) days per week basis to respond to the City on day to day issues and in the event of emergencies. Tenant shall notify the City of the name and telephone number of such representative and shall update such information as necessary. If any Resident General Manager, in the City's reasonable judgment, does not perform up to standards consistent with the fulfillment of Tenant's obligation and responsibilities under this Lease, Tenant, in good faith, shall promptly take steps to remedy any such failure in performance.

(g) Continuous Operation. As provided in Article 3, Tenant hereby covenants that it shall continuously sublease, market, and manage any available Concession Premises pursuant to the terms of this Lease and shall from and after the Latest Date of Beneficial Occupancy cause its Subtenants to continuously and uninterruptedly occupy and use the Concession Premises for the Concession Program and shall keep the Concession Program open for business during the Service Hours, except as may otherwise be permitted under this Lease or to the extent Tenant or any of its Subtenants may be prevented therefrom by Force Majeure, or occasioned by the City's negligence or willful misconduct. Tenant acknowledges that the Concession Program are essential services at the Terminal and Tenant's failure to cause its Subtenants to provide continuous operation of the Concession Program or any portion thereof will result in damages to the City that are difficult to quantify in light of airport operational and customer service factors. Therefore, in addition to any other remedies set forth herein, the City may assess, and if so assessed, Tenant shall pay to the City as liquidated damages and not as a penalty, the amount of Three Hundred Dollars ($300.00) each day the Concession Program is not continuously operated.

7.8 Concession Monitoring.

Performance Standards and Audits. Tenant acknowledges the desire of the City to provide first class, customer service oriented concessions to the traveling public and other customers of the Terminal, consistent with the provisions of this Lease. Tenant shall use commercially reasonable efforts to cause its Subtenants to maintain the Concession

Premises in a clean, neat, sanitary and safe condition in accordance with the service and operating standards which have been reviewed and approved by the City and attached hereto as **Exhibit M** ("**Service and Performance Operating Standards**") and in accordance with the provisions of this Lease. Tenant shall work with its Subtenants to achieve and maintain compliance with such requirements, including but not limited to, conducting daily walk through inspections and periodic meetings with Subtenants on an as needed basis.

In addition, Tenant shall conduct formal performance audits of a selection of the Concession Premises on a quarterly basis and more frequently as needed, without notice to any Subtenant, to ensure that all requirements of this Lease and the Subleases are met. Such audits shall be conducted by Tenant or by consultants hired by Tenant, at no expense to the City, but payments for any third party consultants shall be permitted from the Marketing Fund contributions from the Subtenants. The City reserves the right to participate in such audits, at its discretion and at its own expense, to conduct its own audits in accordance with the provisions hereof; without notice to any Subtenant and to request that Tenant conduct an audit at a time not then scheduled. The City may enter any Concession Premises for the purposes described hereunder, at any time, without notice to Tenant or any Subtenant.

Tenant shall notify each Subtenant of any deficiencies and of any failure to meet a Minimum Performance Standard (as defined in the Service and Operating Performance Standards) and shall use commercially reasonable efforts to cause the Subtenant to correct the deficiency and Tenant shall assess and collect the appropriate liquidated damages. Tenant may, in its reasonable business judgment and in light of the circumstances then present in the Terminal, use such judgment and circumstances in determining whether liquidated damages shall be assessed and collected whenever a Minimum Performance Standard is not met. Such deficiencies and the amount of the liquidated damages imposed shall be reported to the City. If the deficiency is not corrected within the applicable grace period, Tenant may impose and collect the appropriate additional liquidated damages or Tenant may pursue other remedies provided in the Sublease or available at law or in equity. If assessed, liquidated damages imposed for failure to correct a deficiency within the applicable grace period or for failing to meet a Minimum Performance Standard shall accrue on a daily basis until the deficiency is corrected and shall be reported by Tenant to the City. All liquidated damages collected under this Section shall be retained by Tenant to cover its overhead administrative expenses.

If the City determines that a Subtenant has failed to properly correct any deficiency after receiving notice from Tenant, the City shall have the right, but not the obligation, to so notify the Tenant in writing as to the steps to be taken by Tenant and Subtenant and Tenant shall thereafter pursue any and all other appropriate remedies available pursuant to the Sublease, and at law or in equity.

The City expressly reserves the right to establish its own concession monitoring program and Tenant agrees to comply with and to cause its Subtenants to comply with the

provisions of the City's concession monitoring program following sixty (60) days prior written notice to Tenant by the City.

7.9 Street Pricing. Tenant shall provide in the Subleases that Subtenants shall not be permitted to charge prices in excess of one hundred and ten percent (110%) of Street Prices, as hereinafter defined, for all types of merchandise sold and services rendered by Subtenants from the Concession Premises. The Street Price shall be determined as follows:

(a) If a Subtenant conducts business in non-Airport locations, the Street Price is the price charged for the same merchandise or service at the nearest non-Airport location (provided, however, if a Subtenant operates in downtown Chicago, then any such location shall be used for comparison and such pricing shall prevail over other Subtenant prices), excluding short-term promotional and other sale prices.

(b) If a Subtenant does not operate in non-Airport locations, the Street Price for all and the same merchandise and services (except as provided in subsection (c) of this Section with respect to food and beverages sold for immediate consumption by restaurant, snack bar or other food and beverage concessions), is the average price charged for such goods and services by three (3) comparable businesses in the metropolitan Chicago area where comparable merchandise or services are sold. Notwithstanding subsection (c) of this Section, this subsection (b) is intended to govern the Street Price of packaged food including, without limitation, candy, gum, pre-packaged snack items and other food and beverages sold for consumption off Premises.

(c) If a Subtenant does not operate in non-Airport locations, the Street Price for all food and beverage merchandise (including alcoholic beverages) sold for immediate consumption by any restaurant, snack bar, or other food and beverage concession shall be based on menu prices or price lists of three (3) comparable businesses or restaurants operating in the Chicago metropolitan area (as mutually and reasonably agreed to by Tenant and the City, taking into account variations in quality, service, portion size and ambiance at such comparable establishments).

(d) If the product or service offered is neither sold by the Subtenant in non-Airport locations nor readily available from comparable businesses in the Chicago metropolitan area, and does not fall within any other category described in this Section, the Street Price shall be based on reasonable comparisons mutually agreed to by the Parties.

(e) If the Subtenant sells duty free merchandise, then the Street Price of such duty free merchandise shall be based on reasonable comparisons with other duty free airport concessions operating in large urban airports located in major cities (top twenty in total population) in the United States.

From time to time but not less than once per year, Tenant shall conduct a sampling survey of Subtenants' prices to determine a Subtenant's compliance with this Section and the costs of such surveys shall be paid from the Marketing Fund.

7.10 Other Pricing Policy. The Commissioner may adopt other reasonable pricing policies, with which Tenant and Subtenants shall comply, to restrict overcharging and price gouging by Subtenants due to their dominant market position and any exclusive rights granted, but in no event shall the Commissioner require prices lower than the Street Prices.

7.11 Subtenant Sales. Tenant shall monitor the sales activity of each and every Subtenant and shall develop an action plan (with respect to merchandising, management and marketing efforts) for Subtenants who do not meet sales projections and work with Subtenants to improve performance. Tenant shall inform the City of such failures and shall propose corrective action to be taken and the time frame during which such steps shall be taken to improve Subtenants' sales performance for the City's approval. The City may modify, alter or amend such corrective action plan and may direct Tenant to take other reasonable measures if the Subtenant's performance does not improve within such time frame as permitted under the Sublease, and at law or in equity. The foregoing shall not be applicable if the failure of a Subtenant to meet its sales projections results primarily due to factors beyond the Subtenant's control, such as a decrease in airlines operating from the Terminal or a decrease in the Actual Enplaned Passengers in the Terminal, for example.

7.12 Vendors, Suppliers and Contractors. Except as otherwise provided herein, Tenant and its Subtenants shall have the right to obtain supplies or services from suppliers, vendors or contractors of their own choice for their operations at the Airport, provided that the City reserves the right to license and regulate all persons or companies doing business on the Airport and to prohibit persons from engaging in aeronautical activities, the provision of ground transportation services or any commercial activities at the Airport except in accordance with this Lease and agreements, concession contracts, permits or operating agreements entered into between the City and said persons.

7.13 Access for Delivery and Removal. Tenant shall not and shall not allow its Subtenants to receive or remove supplies, material, equipment, rubbish or debris through any Common Areas or service areas or otherwise utilize said areas, except at such times and in such manner and by such route as may from time to time be designated by the City. In connection with the Redevelopment and the new Concession Program, Tenant shall upon request submit to the City a plan for the removal of rubbish and for the delivery and removal of supplies, material and equipment, subject to approval by the City in its sole and absolute discretion. The City reserves the right to require Tenant and its Subtenants to participate in the City's recycling program.

7.14 Efficient Use of Space. Tenant acknowledges that a portion of the Concession Premises is to be used by the traveling public. Tenant shall make and shall cause its Subtenants to make available such space to the traveling public on a nondiscriminatory basis and shall coordinate its activities and operations with abutting tenants and the City so as to

maximize efficient use of available space.

7.15 No Waste or Nuisance. Tenant covenants and agrees that it shall not and shall not allow its Subtenants to injure, deface or otherwise harm the Premises or use the Premises in any manner that will constitute waste, and that it shall not cause or permit any unlawful conduct, unreasonable annoyance or nuisance to exist on the Premises, nor permit any activity or omission which constitutes or results in unlawful conduct, unreasonable annoyance or nuisance nor permit the emission of any objectionable noise, vibration or odor nor overload the floor of the Premises, nor permit any use of the Premises which will invalidate or increase the premiums on any of the City's insurance.

7.16 Signs/Corporate Identification/Promotional Materials. Tenant shall not place or allow its Subtenants to place on the exterior walls of the Premises (including both interior and exterior surfaces of windows and doors) or on any part of the Terminal outside the Premises, any signs, symbols, advertisements or the like visible from outside of the Premises without the prior written consent of the City in accordance with the City approval process, which consent may be withheld in the City's sole and absolute discretion. Tenant acknowledges that a separate contract for advertising at all of the City's facilities is in effect, and that all signage, including promotional material and activities of Tenant and Subtenants may be restricted by and subject to its provisions.

7.17 Cleaning, Janitorial and Pest Control. Tenant shall or shall cause its Subtenants to provide cleaning, janitorial and pest control services to the Concession Premises. Tenant shall be entitled to retain an independent third party to provide such cleaning, janitorial and pest control services and charge the actual costs incurred, without any administrative mark-up or profit to Tenant, proportionately to all Subtenants as Operating Costs.

7.18 Revenue Control.

(a) Upon the request of the Commissioner, Tenant shall use commercially reasonable efforts to make available monthly sales data by causing its Subtenants to provide sales and activity data reporting and statistical analysis on a calendar month basis and by providing electronic cash control systems for each Concession Premises ("**Point of Sale Data**"), reflecting the amount of each sales transaction, items sold per transaction, time and date of the transaction, and specifying the sales category applicable to each item sold.

(b) At such time, if any, as computerized Point of Sale Data systems ("**POS Systems**") have been developed to a point where there is an industry standard and the City installs infrastructure compatible with such industry standard, then Tenant shall upon request use commercially reasonable efforts to require each of its Subtenants, and at the Subtenants' own expense, to install such a POS system in the Subtenant Premises or, if it already uses such a system, must use reasonable efforts to promptly cause the system to conform to the City's POS Systems and permit the City to connect the City's POS System to each Subtenant's POS System using fiber optic cable or otherwise.

ARTICLE 8

CONSTRUCTION, MAINTENANCE AND REPAIR

8.1 City Improvements. On _____, 2011, the City shall deliver the Premises in its AS-IS Condition and the City shall also permit Tenant to take over the responsibility for the overall management of the existing concessions in the Transition Premises including management of existing concession operators with respect to the operation of any concessions which shall continue to operate during the transition of the Concession Program and prior to the Redevelopment. The City shall not be obligated to make or cause to be made any improvements of any nature to the Premises except as and only to the extent expressly set forth in the Scope of Work. In the event that the City makes or causes any improvements to be made ("**City Improvements**"), the City shall own and maintain said City Improvements, unless otherwise agreed to in writing.

8.2 City Maintenance and Repair. The City shall repair and maintain in good condition the Common Areas, the exterior and the structural portions of the Premises and the Terminal, including the roofs and any building systems not required to be maintained by Tenant pursuant to this **Article 8** as well as the overall Airport property including the Landing Area.

8.3 Tenant and Subtenant Improvements.

(a) General. All Tenant Base Building Improvements and Subtenant Fixed Improvements shall: (i) be constructed in accordance with Plans and Specifications approved in writing by the City; (ii) be constructed by Contractors pursuant to written construction contracts entered into between Tenant or Subtenants and the Contractor named therein; (iii) be constructed and installed in a good and workmanlike manner using only new (or recycled sustainable) materials; (iv) be constructed in compliance with all applicable statutes, ordinances, building codes, codes and rules, regulations, and directives of any local, state or federal entity having jurisdiction and all generally applicable procedures and requirements of the City including the City's TDCPM; (v) be constructed at Tenant's or Subtenant's sole expense and at such times and in such manner as the City may from time to time reasonably designate without unreasonable interference with or disruption of the operations of tenants or other occupants of the Terminal and the Airport; and (vi) become part of the Premises unless the City elects otherwise in accordance with the TDCPM.

(b) Plans and Specifications. Subject to Force Majeure as defined in this Lease or to events beyond Tenant's or any of its Subtenants' reasonable control, Tenant shall use diligent efforts to submit in a timely manner and cause its Subtenants to submit in a timely manner complete Plans and Specifications to the City for Tenant's Base Building Improvements and the Subtenant Fixed Improvements, including all storefronts and other designs in accordance with the requirements of the City approval process in a manner to allow for completion of construction of Tenant's Base Building Improvements and the Subtenant Fixed Improvements in accordance with the proposed Completion Dates set

forth in the Redevelopment plan. All of such Plans and Specifications shall be submitted for approval by the City in accordance with the City approval process prior to the commencement of any construction. The City shall use its best efforts to notify Tenant in writing of its approval, disapproval or comments upon any Plans and Specifications submitted in accordance with the City approval process within thirty (30) days of its receipt. Within one hundred eighty (180) days of the completion of construction of the Tenant's Base Building Improvements or a Subtenant's Fixed Improvements, Tenant with respect to Tenant's Base Building Improvements shall deliver to and shall cause its Subtenants with respect to the Subtenant's Fixed Improvements to deliver to the Commissioner final and complete "as-built" Plans and Specifications as outlined in the TDCPM.

The City's approval of any Tenant or Subtenant Plans and Specifications may be withheld, granted or conditioned upon factors which it determines in its sole discretion has or may have an impact upon the City, the Airport, the Terminal or its efficient or productive operation thereof; including but not limited to, the removal of the proposed improvement, structure, alteration, modification, sign or addition upon termination or expiration of the Tenant's or any Subtenant's occupancy of the Concession Premises, if a Subtenant so desires to remove. The City shall notify Tenant in writing of its approval, disapproval or comments upon any request submitted in accordance with the TDCPM then in effect

The City's approval of any Plans and Specifications shall not be deemed or be construed to indicate or demonstrate adequacy of the design, construction or safety of the proposed improvement, structure, alteration, modification, sign or addition. Upon completion of the proposed improvement, structure, alteration, modification, sign or addition, Tenant shall or shall cause its Subtenants to deliver "as-built" drawings to the Commissioner.

8.4 Tenant and Subtenant Construction Process.

(a) Tenant shall make and shall cause its Subtenants to make any construction or renovation of any proposed improvement, structure, alteration, modification, sign or addition in conformance with the City's TDCPM. Any request for the City's approval of preliminary engineering, architectural plans or other information, shall be in accordance with the requirements of the TDCPM in effect from time to time during the Term.

(b) Tenant shall or shall cause its Subtenants to, at their own expense, remove from the Premises all trash and debris which may accumulate in connection with Tenant's and Subtenant's construction activities and, should Tenant fail to do so, the City may, in addition to any other right or remedy of the City, remove such trash and debris following one (1) days' notice to Tenant, at Tenant's expense, and the expenses so incurred by the City shall be due and payable by Tenant, as Additional Rent on demand. Tenant expressly acknowledges and agrees that Tenant shall be responsible for obtaining or causing its Subtenants to obtain all necessary permits, approvals and variances and for compliance with all applicable laws and regulations. Tenant shall be entitled to pass through such expenses for any Subtenants who fail to comply with this provision.

(c) All contracts for the construction or installation of Tenant's Base Building Improvements and each Subtenant's Fixed Improvements shall require:

(i) insurance coverage in accordance with **Exhibit P** and suretyship reasonably satisfactory to the City for the protection of the City, its laborers, suppliers, contractors, subcontractors and the public; and

(ii) that all Contractors comply with all applicable provisions of this Lease.

(d) Tenant and its Subtenants must comply in its design, construction, use, occupancy and operation of the Premises or any Subtenant Premises, at their own cost, with:

(i) all regulations and directives now or later promulgated by the FAA or TSA pertaining to Airport security, as such regulations and directives may be amended or modified from time to time during the Term of this Lease;

(ii) all federal, State of Illinois, and City laws, rules, regulations and ordinances, including all building, zoning and health codes and all Environmental Laws; and

(iii) the TDCPM and the Airport Concession Program Handbook.

Tenant and its Subtenants must complete or cause to be completed all of Tenant's Base Building Improvements and the Subtenant Fixed Improvements in accordance with all rules, regulations and standards, including the TDCPM, and the approved Construction Documents for any Improvements. If there is a conflict between work requirements stated in this Lease and those set forth in the TDCPM, the terms and provisions of the TDCPM shall control. No construction must take place until the Commissioner has approved the Construction Documents.

8.5 Tenant and Subtenants Construction Costs.

(a) Tenant Base Building Improvements. Within one hundred eighty (180) days of the completion of Tenant's Base Building Improvements or following any refurbishments made by Tenant to Tenant's Base Building Improvements during the Term of this Lease Tenant shall furnish the City with a statement certified by an officer of Tenant subject to audit by the City, detailing the actual costs expended for the construction of Tenant's Base Building Improvements or refurbishments made thereto, as the case may be, along with documentation of such expenditures, invoices and evidence of payment of such invoices and any other documentation the City shall reasonably request. Upon approval by the City, in accordance with the terms of this Lease, the approved amount for Tenant's initial Base Building Improvements and/or any such refurbishments made thereto shall be deemed for all purposes of this Lease as the "**Tenant Certified Construction Costs**".

(b) Subtenant Fixed Improvements. In connection with the Subtenants' obligations to construct and install the Subtenant Fixed Improvements and Operating Equipment in the Subtenant Premises, Tenant shall cause the Subtenants to spend, in the aggregate, as to all of the Subtenant Premises, not less than the following amounts per square foot for such Subtenant Fixed Improvements and Operating Equipment hereafter set forth in accordance with the TDCPM and the Construction Documents: (a) In-Line – Three Hundred Fifty Dollars ($350.00) per square foot, and (b) Kiosks – Two Hundred Dollars ($200.00) per square foot; provided that for all kiosks, the initial minimum investment shall not be less than Forty Thousand Dollars ($40,000.00) per unit. Within one hundred eighty (180) days of the completion of each Subtenant's Subtenant Fixed Improvements, Tenant shall cause its Subtenants to furnish Tenant with a statement certified by an officer of each Subtenant subject to audit by Tenant and the City, detailing the actual costs expended for the construction of each Subtenant's Subtenant Fixed Improvements, along with documentation of such expenditures, invoices and evidence of payment of such invoices and any other documentation the City shall reasonably request. Following review and approval of the Subtenant invoices by Tenant, Tenant shall furnish all such information to the City. Upon approval by the City, in accordance with the terms of this Lease, the approved amount shall be deemed for all purposes of this Lease as the "**Subtenant Certified Construction Costs**".

(c) Only the following items shall be included in the Tenant Certified Construction Costs and Subtenant Certified Construction Costs:

(i) directly contracted construction, installation and fabrication costs with respect to Tenant's Base Building Improvements and the Subtenant Fixed Improvements;

(ii) furniture, fixtures, decorative treatments and Operating Equipment purchased for and used in the Premises;

(iii) architectural, design, engineering and construction management costs, not to exceed twenty percent (20%) of the total approved cost of the items as defined in (A) and (B) above. The City reserves the right to require Tenant and Subtenants to provide a list of selected architects, interior designers, and construction managers for prior written approval by the City, which approval shall be timely and shall not be unreasonably withheld.

8.6 No Mechanics' Liens. Tenant or its Subtenants must not permit any mechanics' lien for labor or materials furnished or alleged to have been furnished to it to attach to any portion of the Premises, any Subtenant Premises, the Terminal or the Airport, Tenant's leasehold interest, and Subtenant's leasehold interest or this Lease in any way relating to any work performed by or at the direction of Tenant or Subtenant. Upon making payments to Contractors, Tenant shall use commercially reasonable efforts to obtain from each Contractor a waiver or mechanics' liens against any portion of the Premises, any Subtenant Premises, the Airport, Tenant's leasehold interest, and Subtenant's leasehold interest or this Lease arising out of any work done by the Contractor and each and every

of the Contractor's materialmen and workmen. If, nonetheless, any such mechanics' lien is filed upon any portion of the Premises, any Subtenant Premises, the Terminal or the Airport, Tenant's leasehold interest, any Subtenant's leasehold interest, or this Lease, Tenant, or its Subtenants, as the case may be, shall indemnify, protect, defend and save harmless the City against any loss, liability or expense whatsoever by reason of it and must promptly and diligently proceed with or defend, at its own expense, the action or proceedings as may be neeessary to remove the lien. Tenant must deliver notice to the Commissioner of any such lien or claim within fifteen (15) days after Tenant has knowledge of it. Tenant or its Subtenants, as the case may be, may permit the mechanics' to remain undischarged and unsatisfied during the period of the contest and appeal; provided that, if requested by the Commissioner, Tenant or its Subtenant must within thirty (30) days following the Commissioner's request post a bond with thc City equal to 100% of the amount of the lien. If the lien is stayed and the stay later expires or if by nonpayment of any lien any portion of the Premises, any Subtenant Premises, the Terminal or the Airport, Tenant's leasehold interest, any Subtenant leasehold interest or this Lease will be, or is claimed to be, subject to loss or forfeiture, then Tenant or its Subtenants must immediately pay and cause to be satisfied and discharged the lien. If Tenant or its Subtenants fails to do so, the Commissioner may, in her sole discretion, draw on the bond and make such payment. If the Commissioner has not requested a bond, then the Commissioner may, in her sole discretion, make such payment out of legally available Airport funds and, in such event, the amount paid shall immediately be payable by Tenant or its Subtenants as Additional Rent. Failure to post a bond when requested by the Commissioner or pay such Additional Rent shall be an Event of Default.

8.7 City Resident Construction Worker Employment Requirement.

(a) Use of Residents. In connection with and during the construction of the Work, Tenant, its Subtenants and their respective Contractors must comply with the provisions of §2-92-330 of the Municipal Code of the City of Chicago ("**Municipal Code**"), as amended from time to time concerning the minimum percentage of total construction worker hours performed by qualified actual residents of the City. At least 50% of the total construction worker hours worked by persons on the site of the Work must be performed by actual residents of the City. Tenant or its Subtenants may request a reduction or waiver of this minimum percentage level of Chicagoans in accordance with standards and procedures developed by the Chief Procurement Officer of the City. In addition to complying with this percentage, Tenant, its Subtenants and any of their respective Contractors are required to make good faith efforts to utilize qualified actual residents of the City in both unskilled and skilled labor positions. **"Actual residents of the City"** means persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home. Tenant, its Subtenants and each of their respective Contractors (for purposes of this subsection, **"Employer"**) must provide for the maintenance of adequate employee residency records to ensure that actual Chicago residents are employed. Each Employer will maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

(b) Certified Payroll Reports. In connection with and during the construction of the

Work, weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) must be submitted to the Commissioner in triplicate and must 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.

(c) Inspection of Records. In connection with and during the construction of the Work, each Employer must provide full access to its employment records to the Chief Procurement Officer, the Commissioner, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized representative of any of them. Each Employer must maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the Work. At the direction of the Commissioner, affidavits and other supporting documentation may be required of each Employer to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

(d) Level of Effort. Efforts on the part of each Employer to provide utilization of actual Chicago residents that are not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the City's Chief Procurement Officer will not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

(e) Shortfalls; Liquidated Damages. When the Work is completed, in the event that the City has determined that Tenant has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual residents of the City or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1% of the aggregate hard construction costs of the Improvement Costs (the product of .0005 x such aggregate hard construction costs) (as evidenced by approved contract value for the actual contracts) must be surrendered by Tenant to the City as liquidated damages, and not as a penalty, in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly will result in the surrender of the entire liquidated damages as if no actual residents of the City were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject Tenant, its Subtenants and/or the Contractors to prosecution. The City may draw against the Security any amounts that appear to be due to the City under this provision pending the City's determination as to the full amount of liquidated damages due on completion of the Work.

(f) Nothing set forth in this Section acts as 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 Lease or related documents, as applicable.

(g) Inclusion in Contracts. Tenant and its Subtenants must cause or require the provisions of this Section to be included in all construction Contracts related to the Work.

8.8 Licensing of General Contractor. This Lease is subject to Chapter 4-36 of the Municipal Code which requires all persons acting as a general contractor (as defined in Chapter 4-36) to be licensed as a general contractor by the City. Tenant's failure to ensure that any general contractor working on Tenant's Base Building Improvements complies with Chapter 4-36 of the Municipal Code will be an Event of Default under this Lease. Tenant shall also include a similar provision in the Subleases to reflect that a Subtenant's failure to ensure that any general contractor working on the Subtenant Fixed Improvements complies with Chapter 4-36 of the Municipal Code will be a default by the Subtenants under the Subleases.

8.9 Prevailing Wages. In connection with the construction, repair, and maintenance of Improvements, Tenant must comply with the applicable provisions of 820 ILCS 130/0.01 et seq. regarding the payment of prevailing wages, and the most recent Illinois Department of Labor schedule of prevailing wages, and any successors to them. Tenant and its Subtenants must insert appropriate provisions in all Contracts covering construction work under this Lease to ensure compliance of all construction Contractors with the foregoing wage statutes and regulations.

8.10 Contractor Certifications. Tenant and its Subtenants must require all Contractors performing Work in connection with this Lease to be bound by the following provision and Tenant must cooperate fully and shall cause its Subtenants to cooperate fully with the City in exercising the rights and remedies described below or otherwise available at law or in equity:

> "Contractor certifies and represents that Contractor and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with Contractor is not currently indebted to the City and will not at any time during the Term be indebted to the City, for or on account of any delinquent taxes, liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Contractor acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to Contractor for services rendered in connection with the Lease and, if the breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against the payments otherwise due to Contractor and/or the termination of Contractor for default (in which case Contractor will be liable for all excess costs and other damages resulting from the termination.)"

8.11 Project Manager. Tenant shall act as the project manager for the Tenant's Base Building Improvements and the Subtenant Fixed Improvements, including design and construction and any other Subtenant construction and shall coordinate same with the City pursuant to the City approval process. Tenant shall designate a full-time qualified construction project manager with experience in projects of similar size and scope ("**Tenant's Project Manager**") reasonably acceptable to the City to coordinate construction of the Subtenant Fixed Improvements and Tenant's Base Building Improvements with the City. Tenant acknowledges that during construction of the Improvements, the Terminal will be operating and other tenants, the traveling public and others will be conducting business in and using the Terminal. Tenant acknowledges that it shall be the sole responsibility of Tenant to coordinate all aspects of construction of the Improvements in a diligent and timely fashion so as to ensure the completion of the Improvements on or before the proposed Completion Dates and the Final Completion Date set forth on the approved Redevelopment plan.

8.12 Periodic Refurbishment Reinvestment. During the Term of this Lease, Tenant shall cause the Subtenants to sufficiently maintain the Concession Premises in a first-class condition normal wear and tear excepted. Throughout the Term of this Lease but no less frequently than every seven (7) years after the opening of each Concession Premises, Tenant shall cause its Subtenants to refurbish and renovate the Concession Premises so that each Concession Premises shall be maintained a contemporary appearance and in a first-class condition at all times. All such refurbishments, alterations, additions or replacements shall be pursuant to a written plan, subject to the prior approval of the Commissioner. Any such refurbishments, alterations, additions, and replacements must be performed in accordance with the terms hereof. Following approval of the costs and expenses for any such periodic refurbishment reinvestment as provided in this Lease, the approved amounts shall be included in Tenant's Certified Construction Costs or in each applicable Subtenant Certified Construction Costs, as the case may be.

8.13 Ownership of Improvements. Unless otherwise provided herein, Improvements and any alteration or modification thereto installed in the Premises by Tenant or any of its Subtenants shall become part of the Premises, and upon completion of the Improvements title thereto shall vest in the City (subject to Tenant's and its Subtenants' leasehold interest), except with respect to Operating Equipment and any other items of personal property in the Premises from time to time. Upon termination of Tenant's or any of its Subtenant's occupancy of the Premises or the expiration of the Term, Tenant shall or shall cause its Subtenants, upon request of the City, to remove any Operating Equipment and personal property repair any damage to the Premises caused by such removal, reasonable wear and tear and damage by casualty excepted. If Tenant does not promptly remove or cause the removal of such Operating Equipment and personal property upon request of the City, the City may, without any obligation to do so, enter the Premises and remove such Operating Equipment and personal property, hold the same for the owners thereof or may place the same in a public warehouse, all at the expense and risk of Tenant and/or the Subtenants, as the case may be. Tenant shall or shall cause its Subtenants to reimburse the City for any reasonable expense incurred by the City in connection with such removal, repair and storage. Tenant shall indemnify, release and

hold harmless and shall also cause its Subtenants to indemnify, release and hold harmless the City (and Tenant, in the case of a Subtenant) from any and all damage, costs and expenses related to said removal, repair and storage. In addition, the City shall have the right, but not the obligation, to dispose of such property as waste or sell such stored property in accordance with law. In the event the actual and reasonable expenses of such removal, repair, storage, disposal and sale shall exceed the proceeds of such sale, Tenant shall pay or cause its Subtenants, as the case may be, to pay such excess to the City upon demand.

8.14 Tenant Maintenance and Repair. Tenant shall, at Tenant's sole cost and expense, keep, maintain and repair or shall cause its Subtenants to keep, maintain and repair the Premises and each and every part thereof; including all Improvements, fixtures, facilities, equipment and interior window glass therein (and including any portion of building systems located outside of the Premises but exclusively serving the Premises) in first class, safe, clean, neat, sanitary and lawful order, condition and repair, excepting only (a) reasonable wear and tear that does not negatively affect the appearance of the Premises and any Improvements thereon, (b) damage caused by fire or other casualty or resulting from the exercise of the power of eminent domain, (c) those repairs expressly required to be made by the City and (d) any condition caused solely by an act, neglect, fault, omission, negligence or willful misconduct of the City, or any agent, contractor or employee of the City.

Tenant shall not and Tenant shall not allow its Subtenants to place or construct any Improvements, structures, alterations, modifications, signs, communications equipment, wiring or additions or Operating Equipment in, to, or upon the Premises without the prior written approval of the City, in accordance with the City approval process, which may be withheld in the City's sole and absolute discretion. In the event Tenant fails to obtain the City's prior written approval, the City may, without limiting other remedies available to it, direct in writing that Tenant or its Subtenants modify, reconstruct or remove any work done without the approval of the City.

8.15 Performance of Improvements, Maintenance and Repairs. At no cost to the City, Tenant shall promptly or shall cause its Subtenants to promptly make all repairs, replacements and restorations to the Tenant's Base Building Improvements and Subtenant Fixed Improvements and to the Premises (other than City's maintenance and repair obligations pursuant to this **Article 8**), whether ordinary or extraordinary, foreseen as well as unforeseen. Tenant shall perform all construction of Tenant's Base Building Improvements, and shall cause its Subtenants to perform all construction of the Subtenant Fixed Improvements, alterations, maintenance or repairs in conformance with all applicable statutes, ordinances, building codes, rules, regulations and directives of any local, state or federal entity having jurisdiction, and in good and workmanlike manner, in accordance in all material respects with the drawings and specifications as may be approved by the City pursuant to the TDCPM Process, as it may be amended from time to time. The Tenant and its Subtenants shall bear any and all costs of compliance with the requirements of this Section.

8.16 Certain Rights Reserved by the City. In addition to those rights reserved by the City in **Article 13** and otherwise contained herein, the City reserves the following rights:

(a) If Tenant or its Subtenants do not, upon reasonable notice and opportunity to Tenant to cure, considering the nature of the maintenance or repair, commence such maintenance and repairs as set forth herein or fails to diligently continue to complete such maintenance or repairs, then the City, in addition to any other remedy which may be available to it, may enter the Premises upon reasonable advance notice to Tenant and any applicable Subtenant and perform such maintenance or repair, as the City determines, in its sole and absolute discretion, is required.

(b) Except as expressly provided otherwise in this Lease, the City has the rights set forth below, each of which the City may exercise with notice to Tenant and without liability to Tenant or its Subtenants for damage or injury to property, persons or business on account of exercising them (unless such damage is determined to be due to the intentional tortuous act or willful misconduct of the City); the City's exercise of any such rights is not deemed to constitute a breach of this Lease or a disturbance of Tenant's or its Subtenant's use or possession of the Premises; the City's exercise does not give rise to any claim, including for set-off or abatement of Rent; the City's exercise also does not relieve Tenant of any obligation to pay all Rent when due. The rights include the rights to:

(i) Install, affix and maintain any and all signs on the exterior and on the interior of the Terminal;

(ii) Decorate or to make repairs, inspections, alterations, additions, or improvements, whether structural or otherwise, in and about the Terminal, or any part of them, and for such purposes to enter upon the Premises, and during the continuance of any of the work, to temporarily close doors, entryways, public space and corridors in the Terminal, and to interrupt or temporarily suspend services or use of facilities, all without affecting any of Tenant's obligations under this Lease, so long as the Premises is reasonably accessible and usable;

(iii) Require Tenant or its Subtenants to furnish the City door keys for the entry doors of the Premises or any portion thereof, where applicable, and to retain them at all times, and to use in appropriate instances, keys, including master keys and passkeys, to all doors within and into the Premises or any portion thereof, but the keys will at all times be kept under adequate and appropriate security by the Commissioner. Tenant and its Subtenants must purchase only from the City additional duplicate keys as required, and must not change any locks, nor affix locks on doors without the prior written consent of the Commissioner.

Notwithstanding the provisions for the City's access to the Premises or any portion thereof Premises, Tenant releases and shall cause its Subtenants to release the City from all responsibility arising out of theft, robbery, pilferage and personal assault unless the same results from the City's negligence or willful misconduct.

Upon the expiration of the Term of this Lease or Tenant's or its Subtenant's right to possession of the Premises or any portion thereof, Tenant must return and cause its Subtenants to return all keys to the Commissioner and must disclose to the Commissioner the combination of any safes, cabinets or vaults left in the Premises;

(iv) Approve the weight, size and location of safes, vaults and other heavy equipment and articles in and about the Premises and the Terminal so as not to exceed the legal load per square foot designated by the structural engineers for the Terminal, and to require all such items and furniture and similar items to be moved into or out of the Terminal and the Premises only at the times and in the manner as the Commissioner directs in writing. Tenant or its Subtenants must not install or operate machinery or any mechanical devices of a nature not directly related to Tenant's or its Subtenant's ordinary use of the Premises without the prior written consent of the Commissioner. Movements of Tenant's or any Subtenant's property into or out of the Terminal or the Premises and within the Terminal is entirely at the risk and responsibility of Tenant or its Subtenants, and shall be in accordance with the requirements of the TDCMP, the TDCMP Process and the Airport Concession Program Handbook;

(v) Establish controls for the purpose of regulating all property and packages, both personal and otherwise, to be moved into or out of the Terminal and the Premises;

(vi) Regulate delivery and service of supplies and the usage of the apron area, loading docks, receiving areas and freight elevators and designate the times within which, and the locations at which, deliveries may be made to or by Tenant or its Subtenants;

(vii) Show the Premises to prospective tenants at reasonable times during the final Lease Year or upon earlier termination of this Lease and, if any portion of the Premises is vacated or abandoned, prepare such portion of the Premises for re-occupancy;

(viii) Erect, use and maintain pipes, ducts, wiring and conduits, and appurtenances to them, in and through the Premises at reasonable locations which do not materially impact Tenant's and its Subtenants use and possession of the Premises or materially interfere with the conduct of business in the Concession Premises;

(ix) Enter the Premises for the purpose of periodic inspection for fire protection, maintenance and compliance with the terms of this Lease and exercise any rights granted to it in this Lease; except in the case of emergency, however, the right must be exercised upon reasonable prior notice to Tenant and with an opportunity for Tenant or its Subtenants to have an employee or agent present;

(x) Grant to any person the right to conduct any business or render any service in or to the Terminal for the types of concessions permitted in the Concession Program

under **Article 6**, except as may otherwise be provided in this Lease.

(xi) Promulgate from time to time rules and regulations regarding the operations at the Airport;

(xii) City reserves the right to perform any fire suppression system work and charge the Tenant for the actual and reasonable cost thereof and specify charges as Additional Rent under this Lease or to approve Tenant's proposed contractor, at the City's sole option. Tenant may pass through any such charges to any applicable Subtenants as part of the Operating Costs.

(xiii) Maintain newspaper vending machines at any location in the Airport.

8.17 Visual Rights Act.

(a) Tenant and its Subtenants will cause any artist who creates artwork for the Premises or a Subtenant Premises, as the case may be, to waive any and all rights in the artwork that may be granted or conferred on any work of visual art (the "**Artwork**") under Section 106A and Section 113 of the United States Copyright Act, (17 U.S.C. § 101 et seq.) (the "**Copyright Act**"). The waiver must include, but is not limited to, the right to prevent the removal, storage, relocation, reinstallation, or transfer of the Artwork. Tenant or its Subtenants shall acknowledge and will cause the artist to acknowledge that such removal, storage, relocation, reinstallation or transfer of the Artwork may result in the destruction, distortion, mutilation or other modification of the Artwork. Further, the Tenant or its Subtenants shall acknowledge and consent and will cause the artist to acknowledge and consent that the Artwork may be incorporated or made part of a building or other structure in such a way that removing, storing, relocating, reinstalling or transferring the Artwork will cause the destruction, distortion, mutilation or other modification of the Artwork.

(b) Tenant represents and warrants, and shall cause each Subtenant to represent and warrant, that such Tenant or its Subtenants will obtain a waiver of Section 106A and Section 113 of the Copyright Act as necessary from any employees and subcontractors, or any other artists. Tenant or its Subtenants, as the case may be, must provide City with copies of any such waivers required by Section 106A and Section 113 of the Copyright Act prior to installation of any Artwork in the Premises or any Subtenant Premises.

8.18 Casualty and Restoration.

(a) Insubstantial Damage. If Tenant's Base Building Improvements or Subtenant's Fixed Improvements to any of the Premises are damaged, in whole or in part, by fire or casualty, and there is no Major Damage (as defined below) to the portion of the Terminal served by the damaged Tenant Base Building Improvements or Subtenant's Fixed Improvements, then the Commissioner must repair any damage to the Shell and Core at the City's expense, and Tenant must repair the damage to Tenant's Base Building Improvements as soon as reasonably possible (after completion of the Shell and Core) at

Tenant's expense and Subtenant must repair the damage to the Subtenant Fixed Improvements as soon as reasonably possible (after completion of the Tenant Base Building Improvements) at Subtenant's expense.

(b) Major Damage.

(i) **"Major Damage"** means any damage or destruction that, based on reasonable estimates made by the Department within sixty (60) days after the occurrence of the damage or destruction, in order to be repaired to the condition existing before the damage or destruction:

a. would cost, with respect to the Improvements, in excess of fifty percent (50%) of the replacement cost value of all Improvements; or, if within the last five (5) years of the Term, in excess of twenty-five percent (25%) of such replacement cost; and

b. would cost, with respect to the Shell and Core, in excess of fifty percent (50%) of the replacement cost of the Shell and Core, or would require, in the sole judgment of the Commissioner, more than nine (9) months to complete.

(ii) If any part of the Terminal suffers Major Damage, whether or not including any portion of the Premises located in them, in whole or in part by fire or other casualty, the Commissioner has the right, for a period of six (6) months starting on the date of the occurrence, to elect not to repair the Major Damage as otherwise required under this Section, by giving written notice of the election to Tenant. If the Commissioner notifies Tenant of the Commissioner's election not to repair the Major Damage, this Lease will terminate as to the affected Premises effective as of the date of the Major Damage, all Rent due under this Lease must be prorated to the date of termination, and Tenant must surrender the affected portion of the Premises to the City.

(iii) If any portion of the Premises suffers Major Damage, and if after the occurrence of the damage the Lease is not terminated, the Commissioner and the Airport architect will estimate the cost of restoration and the length of time that will be required to repair the damage and will notify Tenant of the estimate. If sufficient insurance proceeds are available to repair the damage and the damage can be repaired and the Improvements restored before the Term expires, then Tenant or its Subtenants, as the case may be, may elect to repair the damage and restore the Improvements. If Tenant determines in its reasonable business judgment not to elect to perform the repair and restoration, then Tenant shall pay to the City all insurance proceeds received as a result if such Major Damage and then this Lease terminates as to the impacted portion of the Premises as of the date of the Major Damage. The City shall have the right to restore and thereafter lease any such locations to other third parties.

(iv) If this Lease is not terminated in accordance with paragraphs (b)(ii) or (iii) and a casualty has damaged or destroyed any portion of the Shell and Core involving the Premises, the City will restore the Shell and Core to the condition existing on when possession was delivered by the City to Tenant, according to the original as-built plans and specifications. Upon completion of the City's Shell and Core restoration work, if any, Tenant and Subtenant shall proceed to rebuild the Improvements as nearly as possible to the character of Improvements existing immediately before the occurrence.

(v) Before beginning to replace, repair, rebuild or restore Improvements, Tenant and its Subtenant must deliver to the Commissioner a report of an independent consultant acceptable to the Commissioner setting forth:

a. an estimate of the total cost of the Work;

b. the estimated date upon which the Work will be substantially completed; and

c. a statement to the effect that insurance proceeds are projected to be sufficient to pay the costs of the Work.

(vi) The Commissioner will use commercially reasonable efforts to provide suitable temporary Relocation Space during the period of restoration subject to the reasonable approval of Tenant or its Subtenants. Tenant or its Subtenants must relocate impacted operations to the temporary Relocation Space, and the costs associated with any such relocation, including moving expenses and the cost of reconstructing the Improvements in the temporary Relocation Space, shall be borne by Tenant and its Subtenants but only to the extent insurance covers any such costs.

(c) Tenant's Option. If the Concession Premises or a portion of it is subject to Major Damage during the final three (3) years of the Term, Tenant has the right, for a period of sixty (60) days beginning on the date of the occurrence, to elect not to restore the affected Improvements as otherwise required under this Lease by giving the Commissioner written notice of the election, in which event this Lease will, as to the portion of the Premises, terminate upon the notice. If Tenant desires to rebuild the affected Premises, it may do so only upon the written approval of the Commissioner. If approved, Tenant will receive the unamortized Improvement Cost of the restoration upon termination or expiration of the Term, with amortization being calculated on a straight-line basis over a period of time equivalent to the original Term.

(d) Insufficient Insurance. In no event will the City, Tenant or any of its Subtenants be obligated to repair, alter, replace, restore, or rebuild any Improvements, or any portion of them, nor to pay any of the costs or expenses for them. If available insurance proceeds are not sufficient to cover the cost of the restoration as required under this **Article 8**, then this Lease shall terminate with respect to the portion of the Premise so damaged.

ARTICLE 9

UTILITIES

9.1 Utilities to Premises.

(a) The City shall allow Tenant and its Subtenants access to the various base building utility systems as they exist in the Terminal for those types of utilities which are necessary for the operation of the Concession Program. These include natural gas, water, sewage, telephone and data transmission and electricity. The amount and capacity of the various utilities for each of the New Concession Premises which the City shall provide is as set forth on the utilities matrix attached hereto as **Exhibit N**.

(b) Tenant or its Subtenants must pay for natural gas, water, sewage, telephone and data transmission and electricity furnished to the Premises, and Subtenants will be required to install separate meters or check meters in the Subtenant Premises to properly measure the consumption of all utilities. All other utilities shall be provided without charge to the Tenant or its Subtenants.

(c) Tenant or its Subtenant must maintain utility lines to the Premises or Subtenant Premises as the case may be as follows:

(i) where the utility lines, including gas, electrical, telephone and data transmission, hot and cold water, fire sprinkler, gas, and sewer serve the Premises and other areas of the Terminal, Tenant or its Subtenants shall only be obligated to maintain those branch lines and facilities that are exclusively serving the Premises, whether located within or outside the Premises but only up to the connection point to the main lines or facilities; and

(ii) where the utility lines are solely for the use of the Premises, Tenant or its Subtenants shall be obligated to maintain the utility lines from the Premises up to the main entry point to the Terminal. Alternatively, the City may, at the Commissioner's sole discretion, maintain the lines and charge Tenant the reasonable cost of the maintenance. Tenant or its Subtenants must maintain all electrical cables, conduits, wiring, fire alarm systems, electrical panels and associated equipment exclusively serving the Premises.

(d) Telephone/Telecommunications. The City shall have no obligation to provide telephone or data communication services to the Premises but shall provide Tenants and Subtenants access to such services as they exist within the Terminal.

9.2 Tenant's Acts. Tenant shall not and shall not allow its Subtenants to do or permit to be done anything which may interfere with the effectiveness or accessibility of any drainage

and sewerage system, water system, ventilation, air-conditioning and heating systems, communications systems, key card access systems, elevators and escalators, electrical system, fire-protection system, sprinkler system, alarm system, fire hydrants and hoses and other utility and other systems, if any, installed or located on, under, in or adjacent to the Premises now or in the future.

9.3 No Constructive Eviction. The City shall make diligent efforts to supply Tenant with utility services as specified above; however, if the City makes such diligent efforts but fails to provide said utility services, said failure shall not constitute a constructive eviction, and the City shall not be liable to Tenant in damages, nor shall Tenant be entitled to any reduction in Rent except as otherwise provided herein, or otherwise: (i) if any utility shall become unavailable from any public utility company, public authority or any other Person or entity supplying or distributing such utility, or (ii) for any interruption in any service hereunder (including, without limitation, any heating, ventilation or air-conditioning) caused by the making of any necessary repairs or improvements, or (iii) by any cause beyond the reasonable control of the City which is not attributable solely to the negligence or willful misconduct of the City. In no event shall the City be liable to Tenant for indirect or consequential damages.

9.4 Energy Conservation. The City shall have the right to institute such policies, programs and measures as may be reasonably necessary or desirable, in the City's discretion, for the conservation and/or preservation of energy or energy related services, or as may be required to comply with any applicable codes, rules and regulations, whether mandatory or voluntary.

ARTICLE 10

ENVIRONMENTAL

10.1 Environmental Laws. Tenant shall observe, obey and cause its Subtenants, employees, agents, Contractors, and licensees to observe and obey all applicable Environmental Laws.

10.2 Hazardous Substances. Tenant must not use or allow the Premises to be used for the release, storage, use, treatment, disposal or other handling of any hazardous substance, as defined in any Environmental Laws, except in full compliance with all Environmental Laws. Tenant must not use or allow the Premises to be used for the storage of any such hazardous substances except small amounts of cleaning fluids, business equipment materials (such as copy machine toner) and other small amounts of such hazardous substances customarily handled or used in connection with the concession operations, all of which must be stored and used in compliance with all applicable Environmental Laws. Upon the expiration or termination of this Lease, Tenant must surrender the Premises to the City free from the presence and contamination of any hazardous substances which were placed therein as a result of actions by Tenant or its Subtenants.

10.3 Environmental Representations and Warranties. Tenant hereby represents and warrants to

the City as follows:

(a) Except as may be permitted by and only in compliance with applicable laws, including, without limitation Environmental Laws, Tenant shall not allow any Hazardous Materials to exist or be stored, located, discharged, possessed, managed, processed, or otherwise handled on the Premises, and shall strictly comply with and cause its Subtenants to strictly comply with all Environmental Laws affecting the Premises, including, without limitation, those laws regarding the generation, storage, disposal, release and discharge of Hazardous Materials. Without limiting the generality of the foregoing, Tenant has not been, is not, and will not become involved in or allow its Subtenants to become involved in operations at the Premises involving Hazardous Materials, except as expressly permitted by and only in compliance with applicable Environmental Laws. Tenant expressly warrants, represents and covenants that Tenant, its Subtenants, employees, agents, Contractors, and licensees shall strictly comply with the requirements of all Environmental Laws affecting the Premises and shall immediately notify the City of any release or threat of release of Hazardous Materials at, upon, under or within the Premises.

(b) No activity shall be undertaken on the Premises that would cause (i) the Premises to be considered a hazardous waste treatment, storage or disposal facility as defined under any Environmental Laws; (ii) a release or threatened release of Hazardous Materials into any watercourse, surface or subsurface water or wetlands; or (iii) the discharge into the environment of any Hazardous Materials in each case requiring a permit under any Environmental Laws and for which no such permit has been issued.

(c) Tenant shall immediately notify the City in writing of (i) any release or threatened release of Hazardous Materials or the occurrence of any other environmental problem or liability with respect to the Premises which could subject Tenant or the Premises to a claim under any Environmental Laws or to any restriction in ownership, occupancy, transferability or use of the Premises under any Environmental Laws; (ii) any lien filed, action taken or notice given of the nature described in subparagraph (b) above; (iii) any notice given to Tenant from any Subtenant or other occupant of the Premises authorized by the City pursuant to the terms of this Lease or any notice from any governmental authority with respect to any release or threatened release of Hazardous Materials; or (iv) the commencement of any litigation or any information relating to any threat of litigation relating to any alleged unauthorized release of any Hazardous Materials or other environmental contamination, liability or problem caused by Tenant or its Subtenants with respect to or arising out of or in connection with the Premises.

(d) Tenant shall not be responsible or liable in any manner to the City or otherwise for any remediation or removal of any Existing Contamination or for the release or threatened release of any Hazardous Materials (whether located within the Premises or elsewhere) unless such release or threatened release of Hazardous Materials is caused by the action, omission to act, negligence or willful misconduct of Tenant, its Subtenants and their respective agents, employees, Contractors or licensees.

10.4 Notices. Tenant shall provide the City with copies of any notices of release of Hazardous Materials which are given by or on behalf of Tenant or any Subtenant to any federal, state or local agencies or authorities with respect to the Premises in accordance with **Article 18**. Such copies shall be sent to the City concurrently with their being mailed or delivered to the governmental agencies or authorities. Tenant also shall provide the City with copies of any notices of responsibility or any other notices received by or on behalf of Tenant or any Subtenant from any such agencies or authorities concerning any non-compliance with Environmental Laws on or about the Premises, including but not limited to notices regarding Hazardous Materials or substances located on or about the Premises. In addition, in connection with any litigation or threat of litigation affecting the Premises, Tenant shall deliver to the City any documentation or records as the City may reasonably request in connection with all such notices, inquiries and communications, and shall give written notice to the City of any subsequent developments.

10.5 No Illegal Dumping. In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Tenant warrants and represents that it has not violated and is not in violation of the following sections of the Municipal Code (collectively, the "**Waste Sections**"):

7-28-390 Dumping on public way—Violation—Penalty;

7-28-440 Dumping on real estate without permit;

11-4-1410 Disposal in waters prohibited;

11-4-1420 Ballast tank, bilge tank or other discharge;

11-4-1450 Gas manufacturing residue;

11-4-1500 Treatment and disposal of solid or liquid waste;

11-4-1530 Compliance with rules and regulations required;

11-4-1550 Operational requirements;

11-4-1560 Screening requirements; and

any other sections listed in Section 11-4-1600(e), as it may be amended from time to time.

During the period while this Lease is executory, Tenant's violation of the Waste Sections, whether or not relating to the performance of this Lease constitutes a breach of and an Event of Default under this Lease, for which the opportunity to cure, if curable, will be granted only at the sole discretion of the Commissioner. Such breach and Event of Default entitles the City to all remedies under the Lease, at law or in equity. This Section does not limit the Tenant's duty to comply with all Environmental Laws, in effect now or later, and whether or not they appear in this Lease. Non-compliance with these terms and

conditions may be used by the City as grounds for the termination of this Lease, and may further affect the Tenant's eligibility for future City agreements.

10.6 Sustainable Airport Practices. The City encourages Tenant and its Subtenants to incorporate sustainable design practices in the redevelopment of the Terminal's Concession Program. The Sustainable Airport Manual attached hereto as **Exhibit O** ("SAM") should be considered in every aspect of the Redevelopment and concession operations. Tenant and Subtenants should include a LEED (Leadership in Energy and Environmental Design) accredited professional on their respective design teams and should consider as part of their main objectives for sustainable design to avoid resource depletion of energy, water, and raw materials; prevent environmental degradation caused by facilities and infrastructure throughout their life cycle; and create built environments that are comfortable, safe and productive. Subtenants shall be encouraged to use recycled or recyclable materials for the packaging of products sold at the Airport. This shall include bags and boxes that are provided to customers at the time of sale. Further, Subtenants are encouraged to use recycled or recyclable materials for the pre-packaging of products and any temporary display materials used at the Airport.

ARTICLE 11

INSURANCE AND INDEMNITY

11.1 Tenant's and Subtenants' Insurance.

Tenant shall, and shall cause its Subtenants to, at their respective sole expense, procure and maintain at all times during the Term of this Lease, and during any time period following expiration or termination of this Lease during which Tenant or Subtenant is holding over or Tenant is required to return to the Premises for any reason whatsoever, the types of insurance set forth in **Exhibit P** covering all operations under this Lease, with insurance companies authorized to do business in the State of Illinois.

11.2 Indemnification.

(a) Except where this indemnity clause would be found to be inoperative or unenforceable under the Construction Contract Indemnification for Negligence Act, 740 ILCS 35/0.01 et seq. (**"Anti-Indemnity Act"**), Tenant must defend, indemnify, keep and hold harmless the City, its officers, representatives, elected and appointed officials, agents and employees, from and against any and all Losses, except for any Losses which are the result of the negligence or willful misconduct of the City, its employees, agents, contractors and subcontractors.

(b) **"Losses"** means, individually and collectively, liabilities of every kind, including losses, damages, and reasonable costs, payments and expenses (such as, but not limited to, court costs and reasonable attorneys' fees and disbursements), claims, demands, actions, suits, proceedings, judgments or settlements, any or all of which in any way arise out of or relate to the acts or omissions of Tenant, its Subtenants and their respective employees, agents, and Contractors.

(c) At the City Corporation Counsel's option, Tenant shall defend all suits brought upon all such Losses and must pay all costs and expenses incidental to them, but the City has the right, at its option, to participate, at its own cost, in the defense of any suit, without relieving Tenant of the foregoing indemnity obligations under this Section. Tenant must not make any settlement without the prior written consent to it by the City Corporation Counsel if the settlement requires any action on the part of the City or in any way involving the Airport.

(d) To the extent permissible by law, Tenant waives any limits to the amount of its obligations to indemnify, defend or contribute to any sums due under any Losses, including any claim by any employee of Tenant that may be subject to the Workers' Compensation Act, 820 ILCS 305/1 et seq or any other related law or judicial decision (such as, *Kotecki v. Cyclops Welding Corporation*, 146 Ill. 2d 155 (1991)). The waiver, however, does not require Tenant to indemnify the City for the City's own negligence or willful misconduct. The City, however, does not waive any limitations it may have on its liability under the Worker's Compensation Act or under the Illinois Pension Code.

(e) The indemnities contained in this Section survive the expiration or earlier termination of this Lease, for matters occurring or arising during the Term of this Lease or as the result of or during the holding over of Tenant beyond the Term. Tenant acknowledges that the requirements set forth in this Section to indemnify, keep and save harmless and defend the City are apart from and not limited by the Tenant's duties under this Lease, including the insurance and Security requirements.

ARTICLE 12

COMPLIANCE WITH LAWS

12.1 Compliance with Laws. Tenant shall, and shall cause its Subtenants, at all times observe and comply with all applicable laws, statutes, ordinances, rules, regulations, court orders and executive or administrative orders and directives of the federal, state and local government, now existing or later in effect (whether or not the law also requires compliance by other parties), including the Americans with Disabilities Act and Environmental Laws, that may in any manner affect the performance of this Lease (collectively, "**Laws**"), and must not use the Premises, or allow the Premises to be used, in violation of any Laws or in any manner that would impose liability on the City, Tenant or the Subtenants under any Laws. Tenant must notify the City within ten (10) days of receiving notice from a competent governmental authority that Tenant, its Subtenants or any of their respective Contractors may have violated any Laws. Provisions required by any Law to be inserted in this Lease are deemed inserted in this Lease whether or not they appear in this Lease or, upon application by either party, this Lease will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Lease is signed prevent its enforcement. Without limiting the foregoing, Tenant covenants that it will comply with all Laws, including but not limited to those Laws identified in this **Article 12**.

12.2 Economic Disclosure Statements and Affidavits. In connection with Section 2-92-320 of the Municipal Code, Tenant has executed an Economic Disclosure Statement and Affidavit which is attached to this Lease as **Exhibit H** and which contains a certification as required under the Illinois Criminal Code, 720 ILCS 5/33E, and under the Illinois Municipal Code, 65 ILCS 5/8-10-1 et seq. Ineligibility under Section 2-92-320 of the Municipal Code continues for 3 years following any conviction or admission of a violation of Section 2-92-320. For purposes of Section 2-92-320, when an official, agent or employee of a business entity has committed any offense under the section on behalf of such an entity and under the direction or authorization of a responsible official of the entity, the business entity is chargeable with the conduct. If, after Tenant and any Subtenant enters into a contractual relationship with a Contractor, it is determined that the contractual relationship is in violation of this subsection, Tenant and its Subtenant, if applicable, must immediately cease to use the Contractor. All Contracts must provide that Tenant is entitled to recover all payments made by it to the Contractor if, before or subsequent to the beginning of the contractual relationship, the use of the Contractor would be violative of this Section.

12.3 Inspector General and Legislative Inspector General. It is the duty of Tenant and all officers, directors, agents, partners, and employees of Tenant to cooperate with the Inspector General and the Legislative Inspector General of the City in any investigation or hearing undertaken under Chapter 2-55 or Chapter 2-56 of the Municipal Code. Tenant understands and will abide by all provisions of Chapter 2-55 and Chapter 2-56 of the Municipal Code. Tenant must inform all Subtenants and Contractors of this provision and require under each Sublease and Contract compliance herewith by each Subtenant and Contractor all of their respective officers, directors, agents, partners and employees.

12.4 Section 2-92-586 of the Municipal Code. The City encourages Tenant to use Contractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

12.5 Airport Security.

(a) This Lease is expressly subject to the airport security requirements of Title 49 of the United States Code, Chapter 449, as amended (**"Airport Security Act"**), the provisions of which govern airport security, including the rules and regulations promulgated under it. Tenant is subject to, and further must conduct with respect to its Contractors and the respective employees of each, such employment investigations, including criminal history record checks, as the Commissioner, the TSA or the FAA may deem necessary. Further, in the event of any threat to civil aviation, as defined in the Airport Security Act, Tenant must promptly report any known information in accordance with those regulations promulgated by the United States Department of Transportation, the TSA and by the City. Tenant must, notwithstanding anything contained in this Lease to the contrary, at no additional cost to the City, perform under this Lease in compliance with those guidelines developed by the City, the TSA and the FAA with the objective of

maximum security enhancement. The drawings, plans, and specifications provided by Tenant and its Subtenants under this Lease must comply with those guidelines for airport security developed by the City, the TSA and the FAA and in effect at the time of their submission.

(b) Further, Tenant shall comply with, and require compliance by its Contractors, suppliers of materials and furnishers of services and employees with all present and future laws, rules, regulations, or ordinances promulgated by the City, the TSA or the FAA, or other governmental agencies to protect the security and integrity of the Airport, and to protect against access by unauthorized persons. Tenant shall adopt procedures to control and limit access to the Airport and the Premises by Tenant and its Contractors, suppliers of materials and furnishers of services, employees, in accordance with all present and future City, TSA and FAA laws, rules, regulations, and ordinances. At all times during the Term, Tenant must have in place and in operation a security program for the Premises that complies with all applicable laws and regulations.

(c) Gates and doors located on the Premises, if any, that permit entry into restricted areas at the Airport must be kept locked by Tenant or its Subtenants at all times when not in use. Gate or door malfunctions must be reported to the Commissioner or the Commissioner's designee without delay and must be kept under constant surveillance by Tenant or the applicable Subtenant, as the case may be, until the malfunction is remedied.

(d) In connection with the implementation of its security program, Tenant may receive, gain access to or otherwise obtain certain knowledge and information related to the City's overall Airport security program. Tenant acknowledges that all such knowledge and information is of a highly confidential nature. Tenant covenants that no person will be permitted to gain access to such knowledge and information, unless the person has been approved by the Commissioner in advance in writing.

(e) To the extent any of Tenant's employees require identification badges or security clearance for access at the Terminal, Tenant shall be responsible at its expense for securing such badges or clearance. Tenant will cause Subtenants to be similarly responsible for their personnel under the Subleases, and will monitor compliance by Subtenants with required badging and security clearances and the screening of Subtenant goods, products, equipment, materials and supplies to the extent required in the Terminal. Subtenants will deliver any badge applications for Subtenant employees to Tenant which shall forward them to the Department. Tenant will apply fines, penalties or default remedies under Subleases as required to remedy violations or other deficiencies by Subtenants, but shall not have any other responsibility or liability with respect to security issues relating to such Subtenant employee badging and security clearance requirements and the screening of any such Subtenant goods, products, equipment materials and supplies. Subtenants shall be billed directly by the City for all costs for such badging of personnel and security clearances. The City acknowledges that Tenant has no obligation to conduct screening or inspection of goods, products, equipment, materials or supplies brought to the Terminal, Premises or Airport by or on behalf of Subtenants.

(f) Tenant further must indemnify, hold harmless and defend the City from and against any and all claims, reasonable costs, reasonable expenses, damages and liabilities, including all reasonable attorney's fees and costs, resulting directly from the breach of Tenant's covenants and agreements as set forth in this Section.

12.6 Prohibition on Certain Contributions (Mayoral Executive Order No. 2011-4).

(1) Tenant, any person or entity who directly or indirectly has an ownership or beneficial interest in Tenant of more than 7.5 percent ("**Owners**"), spouses and domestic partners of such Owners, Tenant's Contractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Contractor of more than 7.5 percent ("**Sub-owners**") and spouses and domestic partners of such Sub-owners (Tenant and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "**Mayor**") or to his political fund-raising committee (i) after execution of this bid, proposal or Agreement by Tenant, (ii) while this Lease or any Other Contract is executory, (iii) during the term of this Lease or any Other Contract between Tenant and the City, or (iv) during any period while an extension of this Lease or any Other Contract is being sought or negotiated.

(2) Tenant represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Tenant or the date the Tenant approached the City, as applicable, regarding the formulation of this Lease, no Identified Parties have made a contribution of any amount to the Mayor or to his political fund-raising committee.

(3) Tenant agrees that it shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fund-raising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fund-raising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fund-raising committee.

(4) Tenant agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

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

(6) If Tenant violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the Chief Procurement Officer may reject Tenant's bid.

(7) For purposes of this provision:

"**Bundle**" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fund-raising committee.

"**Other Contract**" means any other agreement with the City of Chicago to which Tenant is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the city council.

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

Individuals are "**Domestic Partners**" if they satisfy the following criteria: (a) they are each other's sole domestic partner, responsible for each other's common welfare; and (b) neither party is married; and (c) the partners are not related by blood closer than would bar marriage in the State of Illinois; and (d)each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and (e) two of the following four conditions exist for the partners: (i) The partners have been residing together for at least 12 months; (ii) The partners have common or joint ownership of a residence; (iii) The partners have at least two of the following arrangements: a joint ownership of a motor vehicle; b. a joint credit account; c. a joint checking account; d. a lease for a residence identifying both domestic partners as Tenants; (iv) Each partner identifies the other partner as a primary beneficiary in a will.

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

12.7 City Ethics Ordinance. Tenant covenants that no payment, gratuity or offer of employment must be made in connection with this Lease by or on behalf of any Contractors or higher tier Contractors or anyone associated with them as an inducement for the award of a Subcontract or order; and Tenant further acknowledges that any agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 of the Municipal Code is voidable as to the City.

12.8 Business Relations with Elected Officials. Pursuant to Section 2-156-030(b) of the Municipal Code, it is illegal for any elected official of the city, or any person acting at the direction of such official, to contact, either orally or in writing, any other city official or

employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in any discussion in any city council committee hearing or in any city council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. **Violation of §2-156-030(b) by any elected official with respect to this Lease is grounds for termination of this Lease.** Section 2-156-080 defines a "business relationship" as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of $2,500 or more in a calendar year; provided, however, a financial interest will not include: (1) any ownership through purchase at fair market value or inheritance of less than one percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended; (2) the authorized compensation paid to an official or employee for his office or employment; (3) any economic benefit provided equally to all residents of the city; (4) a time or demand deposit in a financial institution; or (5) an endowment or insurance policy or annuity contract purchased from an insurance company. A "contractual or other private business dealing" will not include any employment relationship of an official's spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

12.9 Eligibility to do Business with the City. Failure by the Tenant or any controlling person (as defined in Section 1-23-010 of the Municipal Code of Chicago) thereof to maintain eligibility to do business with the City of Chicago as required by Section 1-23-030 of the Municipal Code of Chicago shall be grounds for termination of this Lease.

12.10 Office of Compliance. It is the duty of Tenant, and all officers, directors, agents, partners and employees of Tenant to cooperate with the Office of Compliance in any investigation or audit pursuant to Chapter 2-26 of the Municipal Code of Chicago. Tenant understands and will abide by all provisions of Chapter 2-26 of the Municipal Code of Chicago. All Subleases will inform Subtenants and all Contracts will inform Contractors of this provision and require understanding and compliance with it.

ARTICLE 13

RETAINED RIGHTS OF CITY

13.1 Right to Enter, Inspect and Repair. The City, its authorized employees, agents, contractors, subcontractors and other representatives shall have the right upon forty-eight (48) hours prior notice to Tenant, which notice may be verbal followed by confirming written notice (except in the case of emergency as determined by the City when no notice shall be required), to enter upon the Premises without abatement of Rent, for the following purposes:

(a) To inspect the Premises during regular business hours upon reasonable advance notice (or at any time in the case of emergency, in which case no notice shall be required) to ascertain the condition of the Premises and to determine Tenant's compliance with the terms of this Lease. The right of inspection shall impose on the City no duty to inspect and shall impart no liability upon the City for failure to inspect.

(b) To perform any obligation, to perform maintenance and make repairs and replacements in any event where Tenant is obligated to do so under this Lease and has failed to perform such obligation following any applicable notice and cure periods provided for in this Lease or to initiate such repairs and maintenance within the time periods provided for in this Lease, if applicable, or, if no time period is provided, within thirty (30) days after written notice from the City, and thereafter to diligently complete such obligations, repairs or replacements, or at any time with or without written notice, in the event that the City, in its sole discretion, deems that it is necessary or prudent to do so to preserve all or any part of the Terminal from damage or to correct any condition likely to lead to injury or damage.

(c) To perform any obligation of the City under this Lease and to make additions, alterations, maintenance and repairs to the Terminal and any other areas on the Airport.

In the event such entry is made during non-operating hours, a representative of Tenant or a representative of Tenant's applicable Subtenant shall be present, except the case of an emergency when no such representatives shall be required to be present. Nothing contained in this Section shall prohibit, or diminish the right of, the City to enter the Premises at any time and conduct, without notice to Tenant or any Subtenant, inspections or audits as set forth in **Article 7** of this Lease to determine any Subtenant's compliance with the Service and Performance Operating Standards as set forth in **Article 7** of this Lease.

13.2 Accommodation of Airport Construction.

(a) Tenant acknowledges that from time to time the City may undertake construction, repair or other activities related to the operation, maintenance and repair of the Terminal or the Airport that will require temporary accommodation by Tenant and its Subtenants. In addition, the City reserves the right to permanently reconfigure the Common Areas and the Premises as necessary to accommodate the construction of connections from the Terminal to other terminals or facilities at the Airport or relocate or reconfigure the Terminal Gates and Ramp Area. The City agrees to use reasonable efforts to minimize disruption in Tenant's and its Subtenants' business operations during such period of construction. Without limiting the generality of the foregoing, the City may temporarily or permanently close, alter, change, modify and/or relocate any entrances, passageways, doors and doorways, corridors, elevators, escalators or other parts of the Common Areas or the Terminal (other than the Premises); and the City may at any time and from time to time make such changes, alterations, additions, improvements, repairs or replacements in or to the Terminal, as well as in or to the entrances, passages, elevators, escalators, and stairways thereof; as it may deem necessary or desirable, and to change the arrangement

and/or location of entrances, passageways, doors and doorways, and corridors, elevators, stairs, rest rooms, or other public parts of the Common Areas or the Terminal (other than the Premises), and may stop or interrupt any service or utility system, when necessary by reason of accident or emergency or construction work until the necessity for the interruption or stoppage has ended. The City will endeavor to give Tenant advance notice of such work whenever possible (except in the case of an emergency, in which case no notice shall be required).

(b) Tenant further acknowledges that such improvements may require substantial construction work in the Terminal during normal business hours, which may disrupt Tenant's and its Subtenant's business operations and create noise, dust and other concomitants of construction work. Tenant agrees that it shall have no right except as expressly provided herewith, to any abatement of Rent, Additional Rent or other compensation or to any claim of breach of the City's covenant of quiet enjoyment (express or implied) or an actual or constructive eviction or for loss of business or inconvenience, or in any event for consequential damages on account of any such construction work, and without incurring any liability to Tenant or otherwise affecting Tenant's obligations under this Lease. Tenant agrees to accommodate and shall cause its Subtenants to accommodate the City in such activities even though the Tenant's and its Subtenants' own operations may be inconvenienced or partially impaired.

(c) In the event the City elects to exercise its rights under this Section to close any portion of the Premises, it shall give Tenant not less than fifteen (15) days notice (except in the case of an emergency in which case no notice shall be required) of the City's intent to temporarily close any portion of the Premises, which portion shall be described in such notice.

13.3 Status Report. Recognizing that the City may find it necessary to establish to third parties the then-current status of performance hereunder, Tenant shall, upon the request of the City from time to time, promptly furnish a statement of the status of any matter pertaining to this Lease. Without limiting the generality of the foregoing, Tenant specifically agrees, promptly upon the commencement of the Term hereof, to acknowledge to the City reasonable satisfaction of any requirements with respect to construction, except for such matters as Tenant may set forth specifically in said statement.

13.4 Eminent Domain. Nothing in this Lease shall be construed to limit any of the City's rights to acquire property by eminent domain.

ARTICLE 14

FAA PROVISIONS

14.1 No Exclusive Rights. Nothing contained in this Lease must be construed to grant or authorize the granting of an exclusive right, including an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the City reserves the right to grant to others the privilege

and right of conducting any one or all activities of an aeronautical nature. It is clearly understood by Tenant that no right or privilege has been granted that would operate to prevent any person, firm, or corporation operating aircraft on the Airport from performing any services on its own aircraft with its own regular employees (including maintenance and repair) that it may choose to perform.

14.2 Airport Landing Area. The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of Tenant or its Subtenants, and without interference or hindrance. The City reserves the right, but is not obligated to, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of Tenant and its Subtenants in this regard.

14.3 No Obstructions. Tenant must comply with applicable notification and review requirements covered in Part 77 of the Federal Aviation Regulations if any future structure or building is planned for the Premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the Premises. Tenant, by accepting the Lease, expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the Premises above the applicable mean sea level elevation set forth in Part 77 of the Federal Aviation Regulations. If the covenants contained herein are breached, the City serves the right to enter upon the Premises and to remove the offending structure or object and/or cut down the offending tree, all of which will be at the expense of Tenant.

14.4 Avigation Easement. There is reserved to the City, its successors and assigns for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the Premises. This public right of flight includes the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from, or operation on the Airport. Tenant by accepting this Lease agrees for itself, its Subtenants, its successors, and assigns that it will not make use of the Premises in any manner that might interfere with the landing and taking off of aircraft from Airport or otherwise constitute a hazard. If the covenants contained herein are breached, the City reserves the right to enter upon the Premises and cause the abatement of the interference at the expense of Tenant.

14.5 National Emergency. This Lease and all the provisions of this Lease are subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, and taking over of the Airport, or the exclusive or non-exclusive use of the Airport by the United States during the time of war or national emergency.

14.6 Airport Rules and Regulations. Tenant shall faithfully observe and comply, and shall cause its Subtenants to faithfully observe and comply, with any reasonable rules which the City may from time to time make provided that such rules apply to all similarly situated tenants, licensees or concessionaires, if any, and are related to the safety, care,

appearance, reputation, operation or maintenance of the Airport, the Premises, the Terminal or the Common Areas or the comfort of tenants or others using such areas or facilities. The City shall uniformly enforce such rules and regulations as to all similarly-situated tenants, including Tenant and its Subtenants, but shall not have any duty or obligation to Tenant to enforce such rules or the terms and conditions in any other lease as against any other tenants and the City shall not be liable to Tenant for violations of the same by other tenants, their employees, contractors, agents or licensees.

ARTICLE 15

SPECIAL CONDITIONS

15.1 Warranties and Representations. In connection with the execution of this Lease, Tenant warrants and represents statements (a) through (k) below are true as of the Effective Date. If during the Term there is any change in circumstances that would cause a statement to be untrue, Tenant must promptly notify the Commissioner in writing. Failure to do so will constitute an Event of Default. Tenant shall incorporate any of the following provisions set forth in this Section which are applicable to Subtenants in all Subleases, contracts entered into with any suppliers of materials, furnishers of services, Contractors, or that may provide any materials, labor or services in connection with this Lease, such that the parties warrant, represent and covenant to Tenant as to the matters set forth in this Section. Tenant must cause its Subtenants and Contractors to execute those affidavits and certificates that may be necessary in furtherance of these provisions. The certifications must be attached and incorporated by reference in the applicable agreements. If any Subtenant or Contractor is a partnership or joint venture, Tenant must also include provisions in its Sublease or Subcontract insuring that the entities comprising the partnership or joint venture are jointly and severally liable for its obligations under it.

(a) Tenant is financially solvent and Tenant holds itself to very high standards of quality and professionalism. Tenant is competent to perform as required under this Lease; this Lease is feasible of performance by Tenant in accordance with all of its provisions and requirements; Tenant has the full power and is legally authorized to perform or cause to be performed its obligations under this Lease under the terms and conditions stated in this Lease; and Tenant can and will perform, or cause to be performed, all of its obligations under this Lease in accordance with the provisions and requirements of this Lease.

(b) Tenant is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware; Tenant is qualified to do business in the State of Illinois; and Tenant has a valid current business privilege license to do business in the City, if required by applicable law.

(c) The person signing this Lease on behalf of Tenant has been duly authorized to do so by Tenant; all approvals or consents necessary in order for Tenant to execute and deliver this Lease have been obtained; and neither the execution and delivery of this Lease, the consummation of the transactions contemplated, nor the fulfillment of or

compliance with the terms and conditions of this Lease:

(i) conflict with or result in a breach, default or violations of: Tenant's organizational documents; any law, regulation, ordinance, court order, injunction, or decree of any court, administrative agency or governmental body, or any of the terms, conditions or provisions of any restriction or any agreement or other instrument to which Tenant is now a party or by which it is bound; or

(ii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Tenant under the terms of any instrument or agreement.

(d) There is no litigation, claim, investigation, challenge or other proceeding now pending or, to Tenant's knowledge after due and complete investigation, threatened, challenging the existence or powers of Tenant, or in any way affecting its ability to execute or perform under this Lease or in any way having a material adverse affect on the operations, properties, business or finances of Tenant.

(e) This Lease constitutes the legal, valid and binding obligation of Tenant, enforceable against Tenant in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and by the application of equitable principles.

(f) No officer, agent or employee of the City is employed by Tenant or has a financial interest directly or indirectly in this Lease, a Sublease, any contract or subcontract thereunder, or the compensation to be paid under it except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code or as may be permitted by law.

(g) Tenant has not knowingly and will not knowingly used the services of any person or entity for any purpose in its performance under this Lease, when such person or entity is ineligible to perform services under this Lease or in connection with it, as a result of any local, state or federal law, rule or regulation, or when person or entity has an interest that would conflict the performance of services under this Lease.

(h) There was no broker instrumental in consummating this Lease and no conversations or prior negotiations were had with any broker concerning the rights granted in this Lease with respect to the Premises. Tenant must hold the City harmless against any claims for brokerage commission arising out of any conversations or negotiations had by Tenant with any broker.

(i) To the best of Tenant's knowledge, Tenant nor any Affiliate of Tenant is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U. S. Department of Commerce or their successors, or on any other list of persons with which the City may not do business under applicable law: the Specially Designated Nationals List, the

Denied Persons List, the Unverified List, and Entity List, and the Debarred List.

(j) Tenant, and to the best of Tenant's knowledge, its Affiliates, any of their respective owners holding 7.5% or more beneficial ownership interest, and any of Tenant's directors, officers, members, or partners:

(i) have no interest, directly or indirectly, that conflicts in any manner or degree with Tenant's performance under this Lease;

(ii) have no outstanding parking violation complaints or debts, as the terms are defined in Section 2-92-380 of the Municipal Code (with the exception of any debt or obligation that is being contested in a pending administrative or judicial proceeding) and agrees that, for the Term, they will promptly pay any debts, outstanding parking violation complaints or monetary obligations to the City that may arise during the Term, with the exception of any debt or obligation that is being contested in a pending administrative or judicial proceeding;

(iii) are not in default under any other City contract or agreement as of the Effective Date, nor have been deemed by the City to have been in default of any other City contract or agreement within five years immediately preceding the Effective Date;

(iv) are not in violation of the provisions of § 2-92-320 of the Municipal Code pertaining to certain criminal convictions or admissions of guilt and are not currently debarred or suspended from contracting by any Federal, State or local governmental agency;

(v) are not delinquent in the payment of any taxes due to the City;

(vi) will not at any time during the Term have any interest or acquire any interest, directly or indirectly, that conflicts or would or may conflict in any manner or degree with Tenant's performance under this Lease; and

(vii) will not make use of the Premises in any manner that might interfere with the landing and taking off of aircraft at the Airport under current or future conditions or that might otherwise constitute a hazard to the operations of the Airport or to the public generally.

(k) Except only for those representations, statements, or promises expressly contained in this Lease, including any Exhibits attached to this Lease and incorporated by reference in this Lease, no representation, warranty of fitness, statement or promise, oral or in writing, or of any kind whatsoever, by the City, its officials, agents, or employees, has induced Tenant to enter into this Lease or has been relied upon by Tenant, including any with reference to:

(i) the meaning, correctness, suitability or completeness of any provisions or

requirements of this Lease;

(ii) the nature of the services to be performed;

(iii) the nature, quantity, quality or volume of any materials, equipment, labor and other facilities, needed for the performance of this Lease;

(iv) the general conditions that may in any way affect this Lease or its performance;

(v) the compensation provisions of this Lease; or

(vi) any other matters, whether similar to or different from those referred to in clauses (i) through (iv) immediately above, affecting or having any connection with this Lease, the negotiation of this Lease, any discussions of this Lease, the performance of this Lease or those employed in connection with it.

15.2 Business Documents, Disclosure of Ownership Interests and Maintenance of Existence.

(a) Tenant must provide evidence of its authority to do business in the State of Illinois including, if applicable, certifications of good standing from the Office of the Secretary of State of Illinois, and appropriate resolutions or other evidence of the authority of the persons executing this Lease on behalf of Tenant.

(b) In accordance with **Section 12.2**, Tenant has provided the Commissioner with an Economic Disclosure Statement and Affidavit ("**EDS**") for itself and EDSs for all entities with an ownership interest of 7.5 percent or more in Tenant, copies of which are attached to this Lease as **Exhibit H**. Upon request by the Commissioner, Tenant must further cause its Subtenants and proposed Transferees (and their respective 7.5 percent owners) to submit an EDS to the Commissioner. Tenant must provide the Commissioner, upon request, a "no change" affidavit if the information in the EDS(s) attached as **Exhibit H** remains accurate, or revised and accurate EDS(s) if the information contained in the attached EDS(s) has changed. In addition, Tenant must provide the City revised and accurate EDS(s) within thirty (30) days of any event or change in circumstance that renders the EDS(s) inaccurate. Failure to maintain accurate EDS(s) on file with the City is an Event of Default.

15.3 Licenses and Permits. Tenant shall and shall cause its Subtenants in a timely manner consistent with Tenant's obligations under this Lease, secure and maintain, or cause to be secured and maintained at its expense, the permits, licenses, authorizations and approvals as are necessary under federal, state or local law for Tenant and its Subtenants to operate the Concession Program; to construct, operate, use and maintain the Premises; and otherwise to comply with the terms of this Lease and the privileges granted under this Lease. Tenant and its Subtenants shall promptly provide copies of any required licenses and permits to the Commissioner when requested from time to time.

15.4 Confidentiality. Except as may be required by law during or after the performance of this Lease, Tenant or its Subtenants will not disseminate any non-public information regarding this Lease or the Concession operations without the prior written consent of the Commissioner, which consent will not be unreasonably withheld, conditioned or delayed. If Tenant or any Subtenant is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any documents that may be in its possession by reason of this Lease or any Sublease, Tenant must immediately give notice to the City's Corporation Counsel. The City may contest the process by any means available to it, at the City's sole cost and expense, before the records or documents are submitted to a court or other third party. Tenant or its Subtenants, however, are not obligated to withhold the delivery beyond that time as may be ordered by the court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended. Tenant shall require each prospective Subtenant to abide by such restrictions in connection with their respective Subleases.

15.5 Shakman.

(a) The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(b) Tenant is aware that City policy prohibits City employees from directing any individual to apply for a position with Tenant, either as an employee or as a subcontractor, and from directing Tenant to hire an individual as an employee or as a subcontractor. Accordingly, Tenant must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel of Tenant in connection with this Lease are employees or subcontractors of Tenant, not employees of the City of Chicago. This Contract is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel of Tenant.

(c) Tenant will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel associated with this Lease, or offer employment to any individual to provide services associated with this Lease, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Lease, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for

elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(d) In the event of any communication to Tenant by a City employee or City official in violation of Section 15.5(b) above, or advocating a violation of Section 15.5(c) above, Tenant will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the Commissioner of the Department of Aviation.

ARTICLE 16

NONDISCRIMINATION AND AFFIRMATIVE ACTION

16.1 Non-Discrimination.

(a) Tenant for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration of this Lease, covenants that: (i) no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in the use of the Premises; (ii) in the construction of any Improvements on, over, or under the Premises and the furnishing of services in them, no person on the grounds of race, color, or national origin will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination; (iii) Tenant will use the Premises in compliance with all other requirements imposed by or under 49 C.F.R. Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as those regulations may be amended; and (iv) Tenant shall manage the Concession Program on a fair, equal, and non-discriminatory basis. In addition, Tenant assures that it will comply and will cause its Subtenants to comply with all other pertinent statutes, Executive Orders and the rules as are promulgated to assure that no person will, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefitting from federal assistance.

(b) It is an unlawful practice for Tenant to, and Tenant must at no time: (i) fail or refuse to hire, or discharge, any individual or discriminate against the individual with respect to his or her compensation, or the terms, conditions, or privileges of his or her employment, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (ii) limit, segregate, or classify its employees or applicants for employment in any way that would deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee, because of the individual's race, creed, color, religion, sex, age, handicap or national origin; or (iii) in the exercise of the privileges granted in this Lease, discriminate or permit discrimination in any manner, including the use of the Premises, against any person or group of persons because of race, creed, color, religion, national origin, age, handicap, sex or ancestry. Tenant must post in conspicuous places to which its employees or applicants for employment have access,

notices setting forth the provisions of this non-discrimination clause.

(c) Tenant and its Subtenants must comply with the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq. (1981), as amended, and to the extent required by the law, must undertake, implement and operate an affirmative action program in compliance with the rules and regulations of the Federal Equal Employment Opportunity Commission and the Office of Federal Contract Compliance, including 14 CFR Part 152, Subpart E. Attention is called to: Exec. Order No. 11,246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. § 2000e note, as amended by Exec. Order No. 11,375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12,086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §§ 6101-06 (1981); Rehabilitation Act of 1973, 29 U.S.C. §§ 793-94 (1981); Americans with Disabilities Act, 42 U.S.C. § 12101 and 41 CFR Part 60 et seq. (1990) and 49 CFR Part 21, as amended (the "**ADA**"); and all other applicable federal statutes, regulations and other laws.

(d) Tenant and its Subtenants must comply with the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 5 Ill. Admin. Code §750 Appendix A. Furthermore, Tenant and its Subtenants must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 et seq., as amended, and all other applicable state statutes, regulations and other laws.

(e) Tenant and its Subtenants must comply with the Chicago Human Rights Ordinance, sec. 2-160-010 et seq. of the Municipal Code, as amended, and all other applicable City ordinances and rules. Further, Tenant and its Subtenants must furnish or must cause each of its Contractor(s) to furnish such reports and information as requested by the Chicago Commission on Human Relations.

(f) Tenant and its Subtenants must insert these non-discrimination provisions in any agreement by which Tenant or its Subtenants grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the Premises. Tenant and its Subtenants must incorporate all of the above provisions in all agreements entered into with any Subtenants, suppliers of materials, furnishers of services, Contractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Lease, and Tenant and its Subtenants must require them to comply with the law and enforce the requirements. In all solicitations either by competitive bidding or negotiations by Tenant or its Subtenants for work to be performed under a Subcontract, including procurements of materials or leases of equipment, each potential Contractor or supplier must be notified by Tenant of the Tenant's obligations under this Lease relative to nondiscrimination.

(g) Noncompliance with this Section will constitute a material breach of this Lease; therefore, in the event of such breach, Tenant authorizes the City to take such action as federal, state or local laws permit to enforce compliance, including judicial enforcement. In the event of Tenant's noncompliance with the nondiscrimination provisions of this

Lease, the City may impose such sanctions as it or the federal or state government may determine to be reasonably appropriate, including cancellation, termination or suspension of the Lease, in whole or in part.

(h) Tenant and its Subtenants must permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City, the Commissioner or the Federal government to be pertinent to ascertain compliance with the terms of this Section. Tenant and its Subtenants must furnish to any agency of the federal or state government or the City, as required, any and all documents, reports and records required by Title 14, Code of Federal Regulations, Part 152, Subpart E, including an affirmative action plan and Form EEO-1.

16.2 Airport Concession Disadvantaged Business Enterprises. This Lease is subject to the requirements of the U.S. Department of Transportation's regulations 49 C.F.R. Parts 23 and 26, as amended from time to time. The City has implemented an ACDBE Program under which qualified firms may have the opportunity to participate in the ownership and operation of Airport concession businesses. An ACDBE goal of thirty percent (30%), as measured by total estimated annual Subtenant Gross Receipts following the Redevelopment and the opening of the New Concession Premises, has been established for the Concession Program under this Lease. During the Term, Tenant shall manage and monitor the commitments made by its Subtenants under the ACDBE Compliance Program on behalf of the City and shall provide the City with an annual report (or as more frequently as may be required by the City) in the format required by the FAA evidencing Subtenants' good faith efforts of reaching the goal of 30% participation by ACDBEs (certified either by the City or pursuant to the Illinois Unified Certification Program) in the Concession Program. Tenant shall enforce and its Subtenants must comply with the Special Conditions Regarding ACDBE participation attached hereto as **Exhibit C**. Failure to comply with such Special Conditions by any Subtenant shall be a default under the Sublease and Tenant shall include this provision in the Sublease. Tenant shall enforce the compliance of this provision with all Subtenants and shall indicate on the list of Initial Operators all ACDBEs identified on the Latest Date of Beneficial Occupancy. If Tenant shall fail to cause its Subtenants to comply with such Special Conditions, it shall an Event of Default hereunder. Further, if Tenant enters into a Sublease directly with an ACDBE, Tenant shall comply with the Special Conditions Regarding ACDBE Participation. Tenant or its Subtenants shall provide all information and reports as may be required by the City and shall permit access to their books, records and accounts and facilities to determine compliance with ACDBE Special Conditions, directives and regulations. Commencing on the Earliest Date of Beneficial Occupancy and continuing thereafter during the Term, Tenant shall provide semi-annual reports to the City of all ACDBE Subtenants. Said reports shall be in a format acceptable to the City and shall provide the level of ACDBE participation for the period in question and on year-to-date basis, including the percentage of Subtenant Gross Receipts attributable to each ACDBE Subtenant. To the extent ACDBE participation is in the form of joint venture, Tenant (or a consultant at Tenant's expense) will be responsible to work with and assist the certifying agency in the evaluation of the work performed by the ACDBE with the ACDBE's own forces to ensure that it meets the Subtenant's stated ACDBE

goals in accordance with the FAA's ACDBE joint venture guidance. During the Term, Tenant shall prepare, and the CDA shall be responsible for submitting, any and all ACDBE reports to the FAA.

16.3 MBE/WBE Compliance. During the Redevelopment of the Concession Program, Tenant and Subtenants shall make good faith efforts to meet their commitments with respect to participation of Minority Business Enterprises/Woman-Owned Business Enterprises ("**MBE/WBE**") in the design and construction of Tenant's Base Building Improvements and Subtenant Fixed Improvements, respectively, as set forth in Exhibit D. The stated goals for MBE\WBE participation consist of the following: (i) Design: 25% MBE and 5% WBE; and (ii) Construction: 24% MBE and 4% WBE.

16.4 Other Provisions. Tenant shall comply with and shall use its best efforts to cause its Subtenants to comply with all federal and state laws and City regulations pertaining to Civil Rights and Equal Opportunity, including executive orders and rules and regulations of appropriate federal and state agencies unless otherwise exempt therein.

ARTICLE 17

DEFAULT, REMEDIES AND TERMINATION

17.1 Events of Default.

(a) The following constitute Events of Default by Tenant under this Lease. The Commissioner will notify Tenant in writing of any event that the Commissioner believes to be an Event of Default. Tenant will be given an opportunity to cure the Event of Default within a reasonable period of time, as determined by the Commissioner, but not to exceed thirty (30) days after written notice of the Event of Default; provided, that (i) if a provision of this Lease provides for a different cure period for a particular Event of Default, that different cure period will apply; (ii) if a provision of this Lease does not allow a right to cure a particular Event of Default, there will be no right to cure; and (iii) if neither (i) or (ii) apply and if the promise, covenant, term, condition or other non-monetary obligation or duty cannot be cured within the time period granted by the Commissioner, but Tenant promptly begins and diligently and continuously proceeds to cure the failure within the time period granted and after that continues to diligently and continuously proceed to cure the failure, and the failure is reasonably susceptible of cure within sixty (60) days from delivery of the notice, Tenant will have the additional time, not in any event to exceed sixty (60) days, to cure the failure.

(1) Any material misrepresentation intentionally made by Tenant to the City in the inducement to City to enter this Lease or in the performance of this Lease. There is no right to cure this Event of Default.

(2) Tenant's failure to make any payment in full when due under this Lease and failure to cure the default within ten (10) days after the City gives written notice of the non-payment to Tenant. In addition, Tenant's failure to make any such payment

within ten (10) days after the written notice more than three (3) times in any Lease Year constitutes an Event of Default without the necessity of the City giving notice of the fourth failure to Tenant or any opportunity to cure it.

(3) Subject to Force Majeure, Tenant's failure to promptly and fully keep, fulfill, comply with, observe, or perform any promise, covenant, term, condition or other non-monetary obligation or duty of Tenant contained in this Lease.

(4) Tenant's failure to provide or maintain the insurance coverage required under this Lease (including any material non-compliance with the requirements) and the failure to cure within two (2) days following written notice from the Commissioner; or, if the noncompliance is non-material, the failure to cure within twenty (20) days after the Commissioner gives written notice. The Commissioner, in her sole discretion, will determine if noncompliance is material.

(5) Subject to Force Majeure, Tenant's failure to cause the Concession Program operations in any Concession Premises at all times Tenant is required to do so under this Lease.

(6) Tenant's failure to require Subtenants to comply with the Street Pricing policy.

(7) Subject to Force Majeure, Tenant's failure to begin or to complete or to diligently cause its Subtenant to begin or complete its respective Improvements (as defined in **Article 8** hereof) on a timely basis or to timely open for business in the Premises or any portion of it.

(8) An default by Tenant or any Affiliate under any other agreement it may presently have or may enter into with the City during the Term of this Lease and failure to cure such default within any applicable cure period.

(9) Tenant does any of the following and the action affects Tenant's ability to carry out the terms of this Lease: (i) becomes insolvent, as the term is defined under Section 101 of the United States Bankruptcy Code as amended from time to time; or (ii) fails to pay its debts generally as they mature; or (iii) seeks the benefit of any present or future federal, state or foreign insolvency statute; or (iv) makes a general assignment for the benefit of creditors, or (v) files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the United States Bankruptcy Code or under any other law or statute of the United States or of any State or any foreign jurisdiction; or (vi) consents to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property, which remains in effect for a period in excess of sixty (60) days.

(10) An order for relief is entered by or against Tenant under any chapter of the Bankruptcy Code or similar law in any foreign jurisdiction and is not stayed or vacated within sixty (60) days following its issuance.

(11) Tenant is dissolved

(12) A violation of law that results in a guilty plea, a plea of nolo contendere, guilty finding, or conviction of a criminal offense, by Tenant, or any of its directors, officers, partners or key management employees directly or indirectly relating to this Lease, and that may threaten, in the sole judgment of Commissioner, Tenant's performance of this Lease in accordance with its terms.

(13) Subject to Force Majeure, any failure to perform, act, event or omission that is specifically identified as an Event of Default elsewhere in this Lease.

17.2 Remedies.

If an Event of Default occurs and is not cured by Tenant in the time allowed, in addition to any other remedies provided for in this Lease, including the remedy of Self-help as provided in **Section 17.3**, the City through the Commissioner or other appropriate City official may exercise any or all of the following remedies.

(a) Terminate this Lease with respect to all or a portion of the Premises and exclude Tenant from that part of the Premises affected by the termination. If the Commissioner elects to terminate this Lease, the Commissioner may, at the Commissioner's sole option, serve notice upon Tenant that this Lease ceases and expires and becomes absolutely void with respect to the Premises or that part identified in the notice on the date specified in the notice, to be no less than five (5) days after the date of the notice, without any right on the part of Tenant after that to save the forfeiture by payment of any sum due or by the performance of any term, provision, covenant, agreement or condition broken. At the expiration of the time limit in the notice, this Lease and the Term of this Lease, as well as the right, title and interest of Tenant under this Lease, wholly ceases and expires and becomes void with respect to the Premises identified in such notice in the same manner and with the same force and effect (except as to Tenant's liability) as if the date fixed in the notice were the date in this Lease stated for expiration of the Term with respect to the Premises identified in such notice.

(b) Recover all Rent, including Additional Rent and any other amounts due that have accrued and are then due and payable and also all damages available at law or under this Lease. If this Lease is terminated, whether in its entirety or with respect to a part of the Premises, the damages will include damages for the balance of the scheduled Term, based upon any and all amounts that Tenant would have been obligated to pay for the balance of the Term with respect to the Premises, or if this Lease is terminated with respect to a portion of the Premises, that portion of the Premises affected by the termination, calculated as provided in this Lease or, if not fixed, as reasonably estimated and prorated among the various portions of the Premises. In determining the amount of damages for the period after termination, the Commissioner may make the determination based upon the sum of any future payments that would have been due to the City, for the full Lease Year immediately before the Event of Default. All amounts that would have

been due and payable after termination for the balance of the Term with respect to all or a portion of the Premises must be discounted to present value at a rate deemed to be commercially reasonable for such purposes as of the date of termination. To the extent permitted by law, the Commissioner may declare all amounts to be immediately due and payable. Notwithstanding the foregoing, the City shall use its best efforts to mitigate its damages by finding a replacement Tenant for the Premises being terminated paying comparable Rent.

(c) At any time after the occurrence of any uncured Event of Default, whether or not this Lease has been terminated, reenter and repossess the Premises and/or any part of it with or without process of law, so long as no undue force is used, and the City has the option, but not the obligation, to re-lease all or any part of the Premises. The City, however, is not required to accept any tenant proposed by Tenant or to observe any instruction given the City about such a re-lease. The failure of the City to re-lease the Premises or any part or parts of it does not relieve or affect Tenant's liability under this Lease nor is the City liable for failure to re-lease. Reentry or taking possession of the Premises does not constitute an election on the City's part to terminate this Lease unless a written notice of the election by the Commissioner is given to Tenant. Even if the City re-leases without termination, the Commissioner may at any time after that elect to terminate this Lease for any previous uncured Event of Default. For the purpose of re-leasing, the Commissioner may decorate or make repairs, changes, alterations or additions in or to the Premises to the extent deemed by the Commissioner to be necessary to re-let the Premises, and the cost of the decoration, repairs, changes, alterations or additions will be charged to and payable by Tenant as Additional Rent under this Lease. Any sums collected by the City from any new tenant obtained on account of Tenant will be credited against the balance of the Rent due under this Lease. Tenant must pay the City monthly, on the days when payments of Rent would have been payable under this Lease, the amount due under this Lease less the amount obtained by the City from the new tenant, if any.

(d) Enter upon the Premises, distrain upon and remove from it all inventory, equipment, machinery, trade fixtures and personal property of any kind or nature, whether owned by Tenant or by others, and to proceed without judicial decree, writ of execution or assistance or involvement of constables or the City's and Tenant's officers, to conduct a private sale, by auction or sealed bid without restriction. Tenant waives the benefit of all laws, whether now in force or later enacted, exempting any of Tenant's property on the Premises or elsewhere from distraint, levy or sale in any legal proceedings taken by the City to enforce any rights under this Lease.

(e) Seek and obtain specific performance, a temporary restraining order or an injunction, or any other appropriate equitable remedy.

(f) Seek and obtain monetary damages.

(g) Deem Tenant and Affiliates non-responsible in future contracts or concessions to be awarded by the City.

(h) Declare Tenant and Affiliates in default under any other existing contracts or agreements they might have with the City and to exercise any remedies available under those other contracts or agreements.

(i) Assume the assignment of any and all Subleases between Tenant and Subtenants.

(j) Require Tenant to terminate a Sublease or a Contract that is causing an Event of Default under this Lease which has not been cured.

17.3 Commissioner's Right to Perform Tenant's Obligations.

(a) Upon the occurrence of an Event of Default that Tenant has failed to cure in the time provided, the Commissioner may, but is not obligated to, make any payment or perform any act required to be performed by Tenant under this Lease in any manner deemed expedient by the Commissioner for the purpose of correcting the condition that gave rise to the Event of Default (**"Self-help"**). The Commissioner's inaction never constitutes a waiver of any right accruing to the City under this Lease nor do the provisions of this Section or any exercise by the Commissioner of Self-help under this Lease cure any Event of Default. Any exercise of Self-help does not limit the right of any other City department or agency to enforce applicable City ordinances or regulations.

(b) The Commissioner, in making any payment that Tenant has failed to pay:

(i) relating to taxes, may do so according to any bill, statement or estimate, without inquiry into the validity of any tax, assessment, sale, forfeiture, tax lien or title or claim;

(ii) for the discharge, compromise or settlement of any lien, may do so without inquiry as to the validity or amount of any claim for lien that may be asserted; and

(iii) in connection with the completion of construction, furnishing or equipping of the Premises or the licensing, operation or management of the Premises or the payment of any of its Operating Costs, may do so in such amounts and to such persons as the Commissioner may deem appropriate.

Nothing contained in this Lease requires the Commissioner to advance monies for any purpose.

(c) If Tenant fails to perform its obligations under this Lease to maintain the Premises or to manage the Concession Program in accordance with specified standards within sixty (60) days following written notice from the Commissioner, or in the event of a serious health or safety concern or in an emergency (in which case no notice is required) the Commissioner may, but is not obligated to, direct the Department to perform or cause the performance of any such obligation in any manner deemed expedient by the

Commissioner for the purpose of correcting the condition in question.

(d) All sums paid by the City under the provisions of this Section and all necessary and incidental costs, expenses and reasonable attorneys' fees in connection with the performance of any such act by the Commissioner, together with interest thereon at the Default Rate, from the date of the City's payment until the date paid by Tenant, are deemed Additional Rent under this Lease and are payable to the City within ten (10) days after demand therefor, or at the option of the Commissioner, may be added to any Rent then due or later becoming due under this Lease, and Tenant covenants to pay any such sum or sums with interest at the Default Rate.

17.4 Effect of Default and Remedies.

(a) The City's waiver of any one right or remedy provided in this Lease does not constitute a waiver of any other right or remedy then or later available to the City under this Lease or otherwise. A failure by the City or the Commissioner to take any action with respect to any Event of Default or violation of any of the terms, covenants or conditions of this Lease by Tenant will not in any respect limit, prejudice, diminish or constitute a waiver of any rights of the City to act with respect to any prior, contemporaneous or later violation or Event of Default or with respect to any continuation or repetition of the original violation or Event of Default. The acceptance by the City of payment for any period or periods after an Event of Default or violation of any of the terms, conditions and covenants of this Lease does not constitute a waiver or diminution of, nor create any limitation upon any right of the City under this Lease to terminate this Lease for subsequent violation or Event of Default, or for continuation or repetition of the original violation or Event of Default. Tenant has no claim of any kind against the City by reason of the City's exercise of any of its rights as set forth in this Lease or by reason of any act incidental or related to the exercise of rights.

(b) All rights and remedies of the City under this Lease are separate and cumulative and none excludes any other right or remedy of the City set forth in this Lease or allowed by law or in equity. No termination of this Lease or the taking or recovery of the Premises or any portion thereof deprives the City of any of its remedies against Tenant for Rent, including Additional Rent or other amounts due or for damages for the Tenant's breach of this Lease. Every right and remedy of the City under this Lease arising out of Tenant's default or indemnification obligations survives the expiration of the Term or the termination of this Lease.

17.5 Tenant's Right to Perform City Obligations.

In the event that the City fails to perform its obligations as landlord (and not as Airport operator or municipality) with respect to the Premises under this Lease, the Tenant may send City written notice citing the Lease provision at issue and the facts surrounding the alleged non-performance. If the City does not respond to such notice within sixty (60) days and take timely corrective action as appropriate under the circumstances, Tenant may perform such obligation on behalf of the City. Tenant's reasonable and actual costs

in performing may be offset against the following month's Rent.

ARTICLE 18

GENERAL PROVISIONS

18.1 Entire Lease. This Lease contains all the terms, covenants, conditions and agreements between the City and Tenant relating in any manner to the use and occupancy of the Premises and otherwise to the subject matter of this Lease. No prior or other agreement or understandings pertaining to these matters are valid or of any force and effect. This Lease supersedes all prior or contemporaneous negotiations, undertakings, and agreements between the parties. No representations, inducements, understandings or anything of any nature whatsoever made, stated or represented by the City or anyone acting for or on the City's behalf, either orally or in writing, have induced Tenant to enter into this Lease, and Tenant acknowledges, represents and warrants that Tenant has entered into this Lease under and by virtue of Tenant's own independent investigation.

18.2 Counterparts. This Lease may be comprised of several identical counterparts and may be fully executed by the parties in separate counterparts. Each such counterpart is deemed to be an original, but all such counterparts together must constitute but one and the same Agreement.

18.3 Amendments. Except as otherwise expressly provided in this Lease, the provisions of this Lease may by amended only by a written agreement signed by the City and Tenant. No review or approval by the Commissioner, including approval of Construction Documents, constitutes a modification of this Lease (except to the extent that the review or approval expressly provides that it constitutes such a modification or it is apparent on its face that the review or approval, if made in writing, modifies terms or provisions of this Lease that are within the express powers of the Commissioner under this Lease to modify), nor excuse Tenant from compliance with the requirements of this Lease or of any applicable laws, ordinances or regulations. Amendments must be signed by the Mayor, provided that the Commissioner alone may sign amendments to the Exhibits.

18.4 Severability. Whenever possible, each provision of this Lease must be interpreted in such a manner as to be effective and valid under applicable law. However, notwithstanding anything contained in this Lease to the contrary, if any provision of this Lease is under any circumstance prohibited by or invalid under applicable law, the provision is severable and deemed to be ineffective, only to the extent of the prohibition or invalidity, without invalidating the remaining provisions of this Lease or the validity of the provision in other circumstances.

18.5 Covenants in Subleases and Contracts. All obligations imposed on Tenant under this Lease pertaining to the maintenance and operation of the Premises and compliance with the ACDBE and M/WBE goals contained in this Lease are deemed to include a covenant by Tenant to insert appropriate provisions in all Subleases and Contracts covering work under this Lease and to use its commercially reasonable efforts to enforce compliance of all Subtenants and contractors with the requirements of those provisions.

18.6 Governing Law. This Lease is deemed made in the state of Illinois and governed as to performance and interpretation in accordance with the laws of Illinois. Tenant irrevocably submits itself to the original jurisdiction of those courts located within Cook County, Illinois, with regard to any controversy arising out of, relating to, or in anyway concerning the execution or performance of this Lease. Tenant consents to service of process on Tenant, at the option of the City, by registered or certified mail addressed to the applicable office as provided for in this Lease, by registered or certified mail addressed to the office actually maintained by Tenant, or by personal delivery on any officer, director, or managing or general agent of Tenant. If any action is brought by Tenant against the City concerning this Lease, the action can only be brought in those courts located within Cook County, Illinois.

18.7 Approvals. This Lease shall be subject to the approval of the (i) Aviation Committee of the City Council of the City of Chicago and the full City Council (the "**City Approvals**"); and (ii) to the Members of Tenant (the "**Tenant Approvals**") and shall not be valid and enforceable until such City Approvals have been granted and the Tenant Approvals have been obtained.

18.8 Notices. Any notices or other communications pertaining to this Lease must be in writing and are deemed to have been given by a party if sent by nationally recognized commercial overnight courier or registered or certified mail, return receipt requested, postage prepaid and addressed to the other party. Notices are deemed given on the date of receipt if by personal service, or one (1) day after deposit with a nationally recognized commercial overnight courier, three (3) days after deposit in the U.S. mails sent by certified mail, return receipt requested, postage prepaid, or otherwise upon refusal of receipt. Unless otherwise directed by Tenant in writing, all notices or communications from City to Tenant will sent to Tenant's notice address as set forth in this Lease. All notices or communications from Tenant to the City must be addressed to:

Commissioner, Department of Aviation
City of Chicago
O'Hare International Airport
10510 W. Zemke Rd
Chicago, Illinois 60666

and with a copy to: Managing Deputy Commissioner of Concessions, Real Estate and Planning at the same address.

If the notice or communication relates to payment of Rent or other payments to the City or relates to the insurance requirements, a copy must be sent to:

City Comptroller
City of Chicago
City Hall - Room 501
121 N. LaSalle Street

Chicago, Illinois 60602

If the notice or communication relates to a legal matter or the indemnification requirements, a copy must be sent to:

City of Chicago, Department of Law
Aviation, Environmental and Regulatory Section
30 North LaSalle Street, Suite 900
Chicago, Illinois 60602
Attn: Deputy Corporation Counsel

Either party may change its address or the individual to whom the notices are to be given by a notice given to the other party in the manner set forth above.

18.9 Successors and Assigns; No Third Party Beneficiaries. This Lease inures to the exclusive benefit of, and be binding upon, the parties and their permitted successors and assigns; nothing contained in this Section, however, constitutes approval of an assignment or other transfer by Tenant not otherwise permitted in this Lease. Nothing in this Lease, express or implied, is intended to confer on any other person, sole proprietorship, partnership, corporation, trust or other entity, other than the parties and their successors and assigns, any right, remedy, obligation, or liability under, or by reason of, this Lease unless otherwise expressly agreed to by the parties in writing. No benefits, payments or considerations received by Tenant for the performance of services associated and pertinent to this Lease must accrue, directly or indirectly, to any employees, elected or appointed officers or representatives, or to any other person or persons identified as agents of, or who are by definition an employee of, the City. Neither this Lease nor any rights or privileges under this Lease are an asset of Tenant or any third party claiming by or through Tenant or otherwise, in any bankruptcy, insolvency or reorganization proceeding.

18.10 Subordination.

(a) This Lease is subordinate to the provisions and requirements of any existing or future agreements between the City and the United States government or other governmental authority, pertaining to the development, operation or maintenance of the Airport, including agreements the execution of which have been or will be required as a condition precedent to the granting of federal or other governmental funds for the development of the Airport. If the United States government requires modifications, revisions, supplements or deletions of any of the terms of this Lease, then Tenant consents to the changes to this Lease. In the event that any such modifications, revisions, supplements or deletions result in either a material increase to Tenant's obligations and liabilities under this Lease or a material decrease in Tenant's rights under this Lease or have a material adverse effect on the operation of the Concession Program, then Tenant shall have the right to terminate this Lease upon prior written notice within ninety (90) days following written notification from the City of the required amendment.

(b) This Lease and all rights granted to Tenant under this Lease are expressly subordinated and subject to the International Terminal Use Agreement and the Use Agreement with any airline utilizing the Airport, including the Terminals, and any existing agreement with any airline consortium pertaining to the operation of the Airport, including the Terminals.

(c) To the extent of a conflict or inconsistency between this Lease and any agreement described in paragraphs (a) and (b) above, those provisions in this Lease so conflicting must be performed as required by those agreements referred to in paragraphs (a) and (b) except to the extent that any such conflicts or inconsistencies requiring Tenant to perform as required under such other agreements result in either a material increase to Tenant's obligations and liabilities under this Lease or a material decrease in Tenant's rights under this Lease or have a material adverse effect on the operation of the Concession Program.

18.11 Conflict. In the event of any conflict between the terms and provisions of this Lease and the terms and provisions of any Sublease or contract between Tenant and its Subtenants, Contractors and any other third party, the terms and provisions of this Lease govern and control.

18.12 Offset by Tenant. Whenever in this Lease the City is obligated to pay Tenant an amount, then the City Comptroller may elect to require Tenant to offset the amount due against Rent or other payments owed by Tenant to the City, in lieu of requiring the City to pay such amount. Tenant shall have no right to offset any amount due to City under this Lease against amounts due to Tenant by City unless so directed in writing by the City Comptroller.

18.13 Waiver Remedies. No delay or forbearance on the part of any party in exercising any right, power or privilege must operate as a waiver of it, nor does any waiver of any right, power or privilege operate as a waiver of any other right, power or privilege, nor does any single or partial exercise of any right, power or privilege preclude any other or further exercise of it or of any other right, power or privilege. No waiver is effective unless made in writing and executed by the party to be bound by it. The rights and remedies provided for in this Lease are cumulative and are not exclusive of any rights or remedies that the parties otherwise may have at law, in equity or both, except that the City will not be liable to Tenant for any consequential damages whatsoever related to this Lease.

18.14 Authority of Commissioner. Unless otherwise expressly stated in this Lease, any consents and approvals to be given by the City under this Lease may be made and given by the Commissioner or by such other person as may be duly authorized by the City Council, unless the context clearly indicates otherwise.

18.15 Estoppel Certificate. From time to time upon not less than fifteen (15) days prior request by the other party, a party or its duly authorized representative having knowledge of the following facts, will execute and deliver to the requesting party a statement in writing certifying as to matters concerning the status of this Lease and the parties' performance

under this Lease, including the following:

(a) that this Lease is unmodified and in full force and effect (or if there have been modifications, a description of the modifications and that the Agreement as modified is in full force and effect);

(b) the dates to which Rental, including Additional Rental, have been paid and the amounts of the Rental most recently paid;

(c) that the requesting party is not in default under any provision of this Lease, or, if in default, the nature of it in detail;

(d) that, to its knowledge, the requesting party has completed all required improvements in accordance with the terms of this Lease, and Tenant is in occupancy and paying Rental on a current basis with no offsets or claims; and

(e) in the case of the City's request under this Lease, such further matters as may be reasonably requested by the City, it being intended that any such statement may be relied upon by third parties.

18.16 No Personal Liability. Neither City nor Tenant, shall charge any elected or appointed official, agent, or employee of the City or Tenant personally or seek to hold him or her personally or contractually liable for any liability or expenses of defense under any provision of this Lease or because of any breach of its provisions or because of his or her execution, approval, or attempted execution of this Lease.

18.17 Limitation of City's Liability. Tenant, its Subtenants and Contractors must make no claims against the City for damages, charges, additional costs or fees or any lost profits or costs incurred by reason of delays or hindrances by the City in the performance of its obligations under this Lease. All Tenant, Subtenant, and Contractor personal property upon the Premises or upon any other part of the Airport, is at the risk of Tenant, Subtenant, or Contractor respectively only, and the City is not liable for any loss or damage to it or theft of it or from it. The City is not liable or responsible to Tenant, its Subtenants or Contractors, and Tenant waives, and will cause its Subtenants and Contractors likewise to waive, to the fullest extent permitted by law, all claims against the City for any loss or damage or inconvenience to any property or person or any lost profits any or all of which may have been occasioned by or arisen out of any event or circumstance, including theft, fire, act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition or order of governmental body or authority, or water leakage, steam, excessive heat or cold, falling plaster, or broken glass; or any act or neglect of the City or any occupants of the Airport, including the Terminal or the Premises, or repair or alteration of any part of the Airport, or failure to make any such repairs or any other thing or circumstance, whether of a like nature or a wholly different nature. If the City fails to perform any covenant or condition of this Lease that the City is required to perform and, notwithstanding the foregoing, Tenant recovers a money judgment against the City, the judgment must be satisfied only out of credit against the

Rent and other monies payable by Tenant to the City under this Lease, and the City is not liable for any deficiency except to the extent provided in this Lease and to the extent that there are legally available Airport funds.

18.18 Joint and Several Liability. If Tenant, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then in that event, each and every obligation or undertaking stated in this Lease to be fulfilled or performed by Tenant is the joint and several obligation or undertaking of each such individual or other legal entity.

18.19 Non-Recordation. Tenant must not record or permit to be recorded on its behalf this Lease or a memorandum of this Lease, in any public office.

18.20 Survival. Any and all provisions set forth in this Lease that, by its or their nature, would reasonably be expected to be performed after the expiration or termination of this Lease survive and are enforceable after the expiration or termination. Any and all liabilities, actual or contingent, that have arisen in connection with this Lease, survive any expiration or termination of this Lease. Any express statement of survival contained in any section must not be construed to affect the survival of any other section, which must be determined under this Section.

18.21 Force Majeure. Neither party is liable for non-performance of obligations under this Lease due to Force Majeure. As a condition to obtaining an extension of the period to perform its obligations under this Lease, the party seeking such extension due to a Force Majeure must notify the other party within twenty (20) days after the occurrence of the Force Majeure. The notice must specify the nature of the delay or interruption and the period of time contemplated or necessary for performance. The foregoing notwithstanding, however, in no event will Tenant be entitled to an extension of more than ninety (90) days due to a Force Majeure, without the express written consent of the Commissioner.

[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK, SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the City and the Tenant have hereto set their duly authorized hands and seals as of the date set forth above.

WESTFIELD CONCESSION MANAGEMENT, LLC,
a Delaware limited liability company

BY: _____

TITLE: SENIOR VICE PRESIDENT, AIRPORTS

ATTEST:

BY: _____

TITLE: Asst VP & Secretary

CITY OF CHICAGO

BY: Rahm Emanuel 1RP

TITLE: Mayor

Recommended by:

BY: _____

TITLE: Commissioner of Aviation

[(Sub)Exhibits "A", "B", "C", "D", "E", "F", "G", "H", "I", "J", "K", "L", "M", "N", "O" and "P" referred to in this Concession Redevelopment and Management Lease Agreement with Westfield Concession Management LLC unavailable at time of printing.]

COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS.

NEIGHBORHOOD OPPORTUNITY FUND ASSISTANCE REDEVELOPMENT AGREEMENT WITH CAROLE ROBERTSON CENTER FOR LEARNING FOR IMPROVEMENTS AT 2929 W. 19TH ST.

[O2025-0019995]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning a redevelopment agreement with Carole Robertson Center for Learning to provide neighborhood opportunity funds for improvements at 2929 West 19th Street located in the 24th Ward (O2025-0019995), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Article VII, Section 6(a) of the Constitution of the State of Illinois and, as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The City is authorized under its home rule powers to regulate the use and development of land; and

WHEREAS, Chapter 16-14-010, et seq., of the Municipal Code of Chicago (the "Code") contains the Neighborhood Opportunity Fund Ordinance (the "NOF Ordinance") establishing the Neighborhood Opportunity Fund (the "NOF"); and

WHEREAS, The purpose of the NOF is to: (a) promote growth within the downtown area through the floor area bonus provisions of Section 17-4-1000 of the Code, and simultaneously generate new revenues for investment in business development and job growth in neighborhoods impacted by poverty, high unemployment, and other indicators of economic deprivation; (b) strengthen neighborhood commercial corridors in qualified investment areas; and (c) address the decline of private investment in qualified investment areas that damages the City's overall economic competitiveness, impedes the sustainable and equitable development of the City as a whole, contributes to inequality and poverty, and has a detrimental effect on the City's quality of life; and

WHEREAS, The NOF shall be used for projects located in or directly benefiting qualified investment areas, as indicated on a map published by the Commissioner of Planning and Development (the "Commissioner") and updated at least once every five years; and

WHEREAS, The authorized uses of the NOF are for eligible costs (as defined in the NOF Ordinance) related to: (a) commercial establishments that provide, on a permanent or short-term (pop-up) basis, goods and services which complement and revitalize the areas in which they are located, and which may include, without limitation, grocery stores, retail establishments, and restaurants that sell food primarily for consumption on premises; (b) cultural establishments that provide, on a permanent or short-term (pop-up) basis, recreational and educational opportunities which complement and revitalize the areas in which they are located; and (c) incubation, mentoring, and training of small businesses that otherwise qualify as authorized uses under (a) or (b) above; and

WHEREAS, The Department of Planning and Development ("DPD") has determined that the applicant named in Exhibit A attached hereto (the "Grantee") meets the requirements of the NOF Ordinance and is eligible to receive a NOF grant for the project described in

Exhibit A, in the amount and under the terms and conditions set forth in Exhibit A (the "Grant"); and

WHEREAS, DPD has recommended that the City Council of the City approve the Grant to the Grantee; now, therefore,

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

SECTION 1. The above recitals are expressly incorporated in and made a part of this ordinance as though fully set forth herein.

SECTION 2. The Commissioner and a designee of the Commissioner (collectively, the "Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute a redevelopment agreement with the Grantee and to execute such agreements and instruments and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Grant. The execution of such agreements and instruments and the performance of such acts shall be conclusive evidence of such approval. The Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Grant which do not substantially modify the terms described in Exhibit A hereto. Upon the execution and receipt of proper documentation, the Authorized Officer is hereby authorized to disburse the proceeds of the Grant to the Grantee.

SECTION 3. NOF proceeds in the amount set forth in Exhibit A are hereby appropriated for the purposes described herein.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Code, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect from and after the date of its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".
(To Ordinance)

Redevelopment Agreement With Carole Robertson Center For Learning.

(Medium Community Development Grant)

This Carole Robertson Center for Learning Redevelopment Agreement (this "Agreement") is made as of the Closing Date by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Developer. Capitalized terms not otherwise defined herein shall have the meaning given in the table headed "Project Information" or in Section 2, as applicable.

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Project Information	Section 10 Indemnification
Signature Page	Section 11 Default and Remedies
Section 1 Recitals	Section 12 Mortgaging of the Project
Section 2 Definitions	Section 13 General Provisions
Section 3 The Project	Exhibit A Legal Description of the Property
Section 4 Project Financing	Exhibit B Project Budgets (Project, M/WBE, NOF Eligible)
Section 5 Conditions Precedent	Exhibit C Insurance Requirements
Section 6 Completion of Construction or Rehabilitation	Exhibit D Requisition Form
Section 7 Covenants/Representations/Warranties of Developer	Exhibit E Annual Compliance Report
Section 8 Maintaining Records and Right to Inspect	Exhibit F Construction Compliance
Section 9 Environmental Matters	

PROJECT INFORMATION

<table>
<tr><th>Term
(Agreement Section where first used)</th><th>Definition</th></tr>
<tr><td>Closing Date (preamble)</td><td></td></tr>
<tr><td>Developer (preamble)</td><td>Carole Robertson Center for Learning, an Illinois not-for-profit corporation</td></tr>
<tr><td>Project</td><td>The Developer will rehabilitate their 37,770 square foot property dedicated to early childhood education and youth development services.</td></tr>
<tr><td>Ordinance Date (Recitals)</td><td>[DATE OF ORDINANCE APPROVING THIS AGREEMENT]</td></tr>
<tr><td>Commencement Date (3.01)</td><td>December 1, 2024</td></tr>
<tr><td>Completion Date (3.01)</td><td></td></tr>
<tr><td>Estimated Project Cost (4.01)</td><td>$11,930,733</td></tr>
<tr><td>Base Grant</td><td>$</td></tr>
<tr><td>NOF Funds (Definitions)</td><td>$1,147,085</td></tr>
<tr><td>Funding Sources (4.01)</td><td>
<table>
<tr><th>Funding Source</th><th>Amount</th></tr>
<tr><td>Equity</td><td>$111,144</td></tr>
<tr><td>Grant Funds (Foundations, DCEO, and Individuals)</td><td>$7,598,261</td></tr>
<tr><td>NMTC Subsidy</td><td>$ 3,074,243</td></tr>
<tr><td>City Funding NOF</td><td>$ 1,147,085</td></tr>
<tr><td>TOTAL</td><td>$11,930,733</td></tr>
</table>
</td></tr>
<tr><td>Trade Names (5.05)</td><td>N/A</td></tr>
<tr><td>Certificate Deadline (6.05)</td><td>[THE DATE 2 YEARS AFTER THE AGREEMENT DATE]</td></tr>
<tr><td>Permitted Liens (12)</td><td>Leasehold Mortgage, With Absolute Assignment of Leases and Rents, Security Agreement and Fixture Filing in favor of CNMC Sub-CDE 237, LLC, a Delaware limited liability company, and CDF Suballocatee LVI, LLC, an Illinois limited liability company dated as of February 25, 2025 and filed on February 25, 2025 with the Recorder's Office of Cook County as document number 2505620262; and those matters set forth as Schedule B title exceptions in the Title Policy, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.</td></tr>
</table>

Term **(Agreement Section where first used)**	**Definition**
Notice Addresses (13.14)	**If to the Developer**: Carole Robertson Center for Learning 1111 S Western Ave, Suite B Chicago, IL 60612 Attention: Bela Mote with a copy to Applegate & Thorne-Thomsen, P.C. 425 S Financial Place, Suite 1900 Chicago, IL 60605 Attention: Julie Gabel; Nicholas J. Brunick **If to the City**: City of Chicago, Department of Planning and Development 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 Attention: Commissioner Ciere Boatright with a copy to City of Chicago, Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attention: Finance and Economic Development Division

Developer Signature Page to Redevelopment Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Closing Date.

Carole Robertson Center for Learning,
an Illinois not-for-profit corporation

By: _____
Name:
Title:

NOTARY CERTIFICATION

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that _____ (the "Representative"), personally known to me to be the [manager] of Carole Robertson Center for Learning, an Illinois not-for-profit corporation ("Developer"), 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 the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by Developer, as the Representative's free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 20__.

_____
Notary Public

My Commission Expires_____

(SEAL)

City Signature Page to Redevelopment Agreement

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

By: _____
Ciere Boatright,
Commissioner of Planning and Development

NOTARY CERTIFICATION

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Ciere Boatright, personally known to me to be the Commissioner of Planning and Development (the "Commissioner") 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 the Commissioner signed, sealed, and delivered said instrument, pursuant to the authority given to the Commissioner by City, as the Commissioner's free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 20__.

_____
Notary Public

My Commission Expires_____

(SEAL)

SECTION 1. 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. Municipal Code Authority. The City is authorized under Chapter 16-14 (the "NOF Ordinance") of the Municipal Code of the City of Chicago, as amended from time to time (the "Municipal Code") to finance private projects meeting the criteria described in the NOF Ordinance.

C. City Council Authority. On the Ordinance Date, the City Council of the City (the "City Council") adopted an ordinance authorizing the Commissioner of Planning and Development (the "Commissioner") to enter into this Agreement to fund a portion of the costs of the Project.

D. City Financing. The City agrees to use NOF Funds, in the amounts set forth in the table headed "Project Information", to pay for or reimburse the Developer for the costs 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 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the table headed "Project Information", 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.

"Annual Compliance Report" shall mean a signed report from Developer to the City in substantially the form attached as Exhibit E to this Agreement.

"Capital Event" shall mean a refinance, sale, or transfer of the Project or any part thereof, except for conversion of construction financing to a permanent loan of the same or lesser amount.

"Capital Grant" shall mean the aggregate amount, which shall be less than $5,000,000 of Base Grant plus Local Residency Bonus.

"Certificate" shall mean the Certificate of Completion of Construction or Rehabilitation.

"Change Orders" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.06.

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

"Closing Date" shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing on page 2 of this Agreement.

"Compliance Period" shall mean that period beginning on the date of the issuance of the Certificate until the fifth anniversary of such date.

"Corporation Counsel" shall mean the City's Department of Law.

"Construction Contract" shall mean that certain Standard Form of Agreement Between Owner and Construction Manager (AIA A133 - 2019), dated as of October 9, 2023, between the General Contractor and Developer, as amended by that certain AIA Document A133-2019 Guaranteed Maximum Price Amendment No. 1 dated January 30, 2025 entered into between Developer and the General Contractor providing for construction of the Project.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form.

"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.

"Equity" shall mean funds of Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in the Funding Sources.

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

"Escrow Agreement" shall mean, if applicable, the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the City, the Title Company (or an affiliate of the Title Company), Developer and Developer's lender(s), substantially in the form of Exhibit G attached hereto.

"Event of Default" shall have the meaning set forth in Section 11 hereof.

"Final Project Cost" shall mean the total actual cost of the construction of the Project, as certified to and acceptable to DPD under Section 6.01 hereof.

"General Contractor" shall mean the general contractor(s) hired by Developer to complete the construction of the Project.

"Ground Lease" shall mean that certain Ground Lease dated February 25, 2025 between Developer, as lessor, and Carole Robertson Center for Learning Support Corporation, an Illinois not-for-profit corporation, as lessee.

"IEPA" shall mean the Illinois Environmental Protection Agency.

"Investment Fund" shall mean Chase NMTC CRCL Investment Fund, LLC, a Delaware limited liability company, which is a subsidiary of NMTC Investor and has made a qualified equity investment in each NMTC Lender.

"Jobs Covenant" shall have the meaning set forth in Section 7.06 hereof.

"Lender Financing" shall mean funds borrowed by Developer from lenders and irrevocably available to pay for Costs of the Project, in the amounts set forth in the Funding Sources.

"Local Hiring" shall mean hiring no less than two employees that satisfy the conditions set forth in Section 4.05(a).

"Local Residency" shall mean (a) if the Developer is an individual, the Developer maintains their primary residence in a Qualified Investment Area, and (b) if the Developer is a legal entity, the individuals who collectively own, directly or indirectly, a majority of the ownership interests in the Developer each maintain their primary residence in a Qualified Investment Area.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit B.

"MBE/WBE Program" shall have the meaning set forth in Exhibit F hereof.

"Municipal Code" shall have the meaning set forth in the Recitals.

"NFR Letter" shall mean a "no further remediation" letter issued by IEPA pursuant to the Site Remediation Program.

"NMTC" shall mean the Federal New Markets Tax Credits and the Illinois New Markets Tax Credits.

"NMTC Compliance Period" shall mean the earlier of (a) the seventh (7th) anniversary of the Investment Fund's last qualified equity investment in a NMTC Lender or (b) the termination or repayment of the NMTC Loan.

"NMTC Equity Funds" shall have the meaning set forth in the Funding Sources.

"NMTC Investor" shall mean Chase Community Equity, LLC, a Delaware limited liability company, or such other investor in NMTCs generated by the Project as may be engaged by Developer.

"NMTC Lenders" shall mean, collectively, one or more community development entities or their respective subsidiaries that make NMTC Loans to Carole Robertson Center for Learning Support Corporation, an Illinois not-for-profit corporation, for the Project.

"NMTC Loan" shall mean those certain loans made by the NMTC Lenders to Carole Robertson Center for Learning Support Corporation, an Illinois not-for-profit corporation, for the Project.

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

"NOF" shall mean the Neighborhood Opportunity Fund described in the NOF ordinance.

"NOF Funds" shall mean the funds derived from NOF and payable under this Agreement, which is the aggregate amount of Base Grant, Local Residency Bonus and Local Hiring Funds.

"NOF-Funded Improvements" shall mean those improvements of the Project which qualify as NOF Eligible Costs and the City has agreed to pay for out of NOF Funds, subject to the terms of this Agreement.

"NOF Eligible Cost(s)" shall have the meaning given such term in the NOF Ordinance.

"NOF Ordinance" shall have the meaning set forth in the Recitals.

"Occupancy Covenant" shall have the meaning set forth in Section 7.05 hereof.

"Operating Lease" shall mean that certain Prime Lease dated February 25, 2025 between Carole Robertson Center for Learning Support Corporation, an Illinois not-for-profit corporation, as landlord, and Developer, as tenant.

"Operations Covenant" shall have the meaning set forth in Section 7.04 hereof.

"Project Budget" shall mean the budget attached hereto as Exhibit B, showing the total cost of the Project by line item, furnished by Developer to DPD, in accordance with Section 4.01 hereof.

"Property" shall mean the real property described on Exhibit A.

"Qualified Investment Area" or "QIA" shall have the meaning given such term in the NOF Ordinance.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit D, to be delivered by Developer to DPD pursuant to Section 4.05 of this Agreement.

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

"Site Remediation Program" shall mean the program for the environmental remediation of the Property undertaken by the Developer and overseen by the IEPA, upon completion of which (to the satisfaction of the IEPA) the IEPA shall issue an NFR Letter with respect to the Property to the Developer.

"Survey" shall mean a plat of survey in the most recently revised form of ALTA/NSPS land title survey of the Property, meeting the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, effective February 23, 2021, dated within 75 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project and related improvements as required by the City or lender(s) providing Lender Financing).

"Sustainable Development Policy" shall mean the Chicago Sustainable Development Policy for the Project in effect as of the date of Developer's initial application for the NOF Funds.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending at the fifth anniversary of the date the Certificate is issued.

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

SECTION 3. THE PROJECT

3.01 Project Completion. With respect to the rehabilitation and construction of the Project, Developer shall: (i) commence construction no later than the Commencement Date, and (ii) complete construction and conduct operations therein no later than the Completion Date.

3.02 Project Budget; Funding Sources. Developer has furnished to DPD, and DPD has approved, a Project Budget showing total costs for the Project in an amount not less than $11,930,733. The Developer hereby certifies to the City that (a) the Funding Sources shall be sufficient to complete the Project, and (b) the Project Budget and Funding Sources are true, correct, and complete in all material respects.

3.03 Scope Drawings, Plans and Specifications. Developer has delivered the Scope Drawings, Plans and Specifications to DPD and DPD has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings, Plans and Specifications shall be submitted to DPD as a Change Order pursuant to Section 3.06 hereof. The Scope Drawings, Plans and Specifications shall at all times conform to all applicable federal, state and local laws, ordinances and regulations. 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.

3.04 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.

3.05 Other Approvals. Any DPD approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.02 (Other Governmental Approvals) hereof. Developer shall not commence construction of the Project until Developer has obtained all necessary permits and approvals (including but not limited to DPD's approval of the Scope Drawings and Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

3.06 Change Orders. Except as provided below in this Section 3.06, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD as necessary; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of Developer Space by five percent (5%) or more (either individually or cumulatively); (b) a change in the use of Developer Space to a use other than the Project; (c) a delay in the completion of the Project by six (6) months or more; or (d) Change Orders resulting in an aggregate increase to the Project Budget of ten percent (10%) or more. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement).

3.07 Survey Updates. On the Completion Date, the Developer shall provide an updated Survey if the Project added new improvements to the Property.

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

SECTION 4. PROJECT FINANCING

4.01 Estimated Project Cost. The cost of the Project is estimated to be $11,930,733, to be applied in the manner set forth in the Project Budget.

4.02 NOF Funds. Subject to the terms and conditions of this Agreement, the City hereby agrees to provide up to the amount of the NOF Funds to pay for or reimburse the Developer for the costs of the NOF-Funded Improvements; provided, however, that the total amount of NOF Funds expended will be reduced on a pro rata share basis if the Final Project Cost is less than $11,930,733.

4.03 Uses of NOF Funds. NOF Funds may only be used to pay directly or reimburse Developer for costs of NOF-Funded Improvements. Exhibit B sets forth, by line item, the Project Budget for the Project, and the maximum amount of costs that may be paid by or reimbursed from NOF Funds for each line item therein (subject to the conditions described in this Agreement), contingent upon receipt by the City of documentation satisfactory in form and substance to DPD evidencing such cost and its eligibility as an NOF Eligible Cost.

4.04 Distribution of NOF Funds.

Escrow Agreement alternative: If the Developer has elected to receive the Capital Grant via progress payments (escrow), then subject to the conditions described in Section 4.02 and Section 4.03, and except for Local Hiring Funds described in Section 4.05, the City shall disburse the Capital Grant in installments as described in the Escrow Agreement.

No Escrow Agreement alternative: If the Developer has not elected to receive the Capital Grant via progress payments (escrow), then subject to the conditions described in Section 4.02 and Section 4.03, and except for Local Hiring Funds described in Section 4.05, the City shall pay 100% of Capital Grant at the issuance of the Certificate.

4.05 Requisition Form. When Developer submits documentation to the City in connection with a request for the payment of Capital Grant as described in Sections 4.04 and 4.05, beginning on the first request for payment and continuing through the earlier of (i) the Term of the Agreement, or (ii) the date that Developer has been reimbursed in full under this Agreement, Developer shall provide DPD with a Requisition Form, along with the documentation described therein. Developer shall meet with DPD at the request of DPD to discuss the Requisition Form(s) previously delivered.

4.06 Preconditions of Disbursement. Prior to disbursement of NOF Funds hereunder, Developer shall submit documentation regarding the applicable expenditures to DPD, which shall be satisfactory to DPD in its sole discretion.

4.07 Prior Expenditures. Only those expenditures made by 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 Expenditure. Exhibit H hereto sets forth the prior expenditures approved by DPD as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than City-Funded Improvements shall not be reimbursed to Developer but shall reduce the amount of Equity and/or Lender Financing required to be contributed by Developer.

4.08 Cost Overruns. If the aggregate cost of NOF-Funded Improvements exceeds NOF Funds available pursuant to Section 4.02 hereof, or if the cost of completing the Project exceeds the Estimated Project Cost, Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the Project.

4.09 Conditional Grant. NOF Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. The NOF Funds are subject to being reimbursed as provided in Section 11.02.

4.10 Return of City Funds Upon Refinance, Sale or Transfer. Except (1) in connection with the transfer of the Project to an Affiliate of Developer, or (2) in connection with the financing related to the end of the NMTC Compliance Period of the Project, in the event of a Capital Event during the Term of the Agreement, the Developer agrees to pay and remit to the City an amount equal to 100% of the City Funds paid to date.

SECTION 5. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

5.01 Project Budget. DPD must have approved the Project Budget.

5.02 Other Governmental Approvals. The Developer must have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to DPD. Such approvals shall include, without limitation, all building permits necessary for the Project; provided, however, that if the City agrees to close before construction commences, such building permits shall be secured prior to commencement of any such construction work.

5.03 Financing. The Developer must have furnished proof reasonably acceptable to the City that it has Equity, Lender Financing, the NMTC Subsidy and [other funds] in the amounts set forth in the

Funding Sources to complete the Project. Developer has delivered to DPD a copy of the construction Escrow Agreement.

5.04 Acquisition and Title. The Developer must have furnished the City with a copy of the Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured in at least the amount of NOF Funds, along with copies of all Schedule B title exception documents. The Title Policy must be dated as of the Closing Date and contain only those title exceptions acceptable to the City in its sole discretion and evidence the recording of this Agreement. The Title Policy must contain such endorsements as may be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.1 with parking), contiguity, location, access and survey. If the Project involves any acquisition of real property, the Developer must have provided DPD with documentation related to such acquisition acceptable to the City in its sole discretion.

5.05 Evidence of Clean Title. The Developer, at its own expense, must have provided the City with searches under its name and any Trade Names as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC/Fixture 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

5.06 Environmental. Developer has provided DPD with copies of that certain Phase I Environmental Site Assessment ("Phase I ESA") completed with respect to the Property and any Phase II Environmental Site Assessment ("Phase II ESA") with respect to the Property required by the City. Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audit(s). If applicable based on results of the Phase II ESA, the Developer shall provide the City with a final comprehensive (if applicable) NFR Letter with respect to the Property, signed by the IEPA upon issuance thereof.

5.07 Corporate Documents. Developer has provided a copy of its articles or certificate of incorporation or organization containing the original certification of the Secretary of State; certificates of good standing from the Secretary of State of its state of incorporation or organization and all other states in which Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; bylaws or operating agreement; and such other organizational documentation as the City has requested.

5.08 Economic Disclosure Statement. Developer shall provide to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference.

5.09 Insurance. The Developer, at its own expense, must have insured the Property in accordance with Exhibit C hereto, or Accord Form 27 certificates evidencing the required coverages.

5.10 Construction Compliance Informational Conference. Developer shall provide to the City a copy of the informational conference letter signed by DPD's construction and compliance division.

5.11 Surveys. Developer shall provide the City with a copy of the Survey(s).

SECTION 6. COMPLETION OF CONSTRUCTION OR REHABILITATION

6.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Project in accordance with the terms of this Agreement and upon the Developer's written request, DPD shall issue to the Developer a Certificate of Completion of Construction or Rehabilitation (the "Certificate") in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. If the Developer has not fulfilled its obligation, DPD will issue a written statement detailing the measures which must be taken in order to obtain them.

DPD may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. DPD shall make its best efforts to respond to Developer's written request for the Certificate within forty-five (45) days by issuing the Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for the Certificate upon completion of such measures.

The Developer acknowledges and understands that the City will not issue the Certificate and pay out Capital Grant in connection with the Project, until the following conditions have been met:

- Evidence certified to and acceptable to DPD of the Final Project Cost. As described in Section 4.02, the Capital Grant will be reduced on a pro rata basis if the Final Project Cost is less than the Estimated Project Cost;
- Evidence that the Developer has incurred NOF Eligible Costs in an equal amount to, or greater than, the NOF Funds;
- Receipt of a Certificate of Occupancy or other evidence acceptable to DPD that the developer has complied with building permit requirements for Project;
- Evidence acceptable to DPD that the Project is in compliance with the Operations Covenant and the Occupancy Covenant; and
- Evidence acceptable to DPD in the form of a closeout letter from the Department of Housing's Bureau of Construction and Compliance stating that the Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage), as defined in Exhibit F.

6.02 Continuing Obligations. The Certificate relates only to the respective performance of the work associated with the Project improvements. After the issuance of the Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in 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 7.02, 7.04, and 7.05 as covenants that run with the land will bind any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee under Section 7.01(i) of this Agreement.

6.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, the Certificate will not be issued, and the City will have, but will not be limited to, any of the following rights and remedies, subject in each case to Section 11 hereof:

(a) the right to terminate this Agreement and cease all disbursement of NOF Funds not yet disbursed under this Agreement; and

(b) the right to seek reimbursement of the previously disbursed NOF Funds from the Developer.

6.04 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.

6.05 Failure to Obtain Certificate. If the Developer has not received the Certificate by the Certificate Deadline, the City shall have the right to terminate the Agreement and cancel any future payments.

SECTION 7. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

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

(a) Developer is an Illinois not-for-profit corporation duly incorporated or 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) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its certificate or articles of incorporation or organization, bylaws 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 Developer is now a party or by which Developer is now or may become bound;

(d) during the Term of the Agreement, the Developer will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein, free and clear of all liens except for the Permitted Liens and such other matters as DPD may consent to in writing;

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

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

(g) Developer has and shall maintain all government permits, certificates and consents necessary to conduct its business and to construct, complete and operate the Project;

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

(i) Developer shall not do any of the following without the prior written consent of DPD for the Term of the Agreement: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease (except for the Ground Lease and the Operating Lease) or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity except in connection with receiving the NMTCs, Lender Financing or other financing needed to complete the Project, provided that the City expressly consents to the guarantees and indemnities entered into by Developer in conjunction with the Lender Financing, including, without limitation, (i) a guaranty by Developer of the NMTC Loan, (ii) Developer agreeing to indemnify the investor member of the Investment Fund on account of a recapture or disallowance of the NMTC expected to be claimed by such party, (iii) an environmental indemnity by Developer for the benefit of the NMTC Lenders and affiliates thereof, and (iv) guarantees and obligations of and under the Lender Financing; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition;

(j) Developer has not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except lender financing as disclosed to the City; and

(k) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter

into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code;

7.02 Covenant to Redevelop. Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

7.03 Use of NOF Funds. NOF Funds disbursed to Developer shall be used by Developer solely to reimburse Developer for its payment for NOF-Funded Improvements as provided in this Agreement.

7.04 Operations Covenant. The Developer hereby covenants and agrees, throughout the Compliance Period, to maintain its operations at the Project (the "Operations Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee.

7.05 Occupancy Covenant. The Developer hereby covenants and agrees, throughout the Compliance Period, to maintain that not less than seventy-five percent (75%) of the Project shall remain occupied, and otherwise open for business (the "Occupancy Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee.

7.06 Jobs Covenant; Jobs Reporting Requirement.

(a) The Developer will aspire to create not less than ninety-eight (98) full-time equivalent (minimum of 35 hours per week), construction jobs shall be within six (6) months of the Commencement Date and not less than four (4) additional full-time equivalent, permanent jobs within two (2) years of completion of the Project, for a total of one hundred two (102) full-time equivalent, permanent jobs to be retained or created by Developer at the Project through the Term of the Agreement.

(b) The Developer hereby covenants and agrees, throughout the Term of the Agreement, to report to DPD information about jobs maintained at the Project, in a form acceptable to DPD in its sole discretion.

7.07 Annual Compliance Report. Following the issuance of the Certificate, each year throughout the Term of the Agreement, the Developer shall submit to DPD by June 30th the Annual Compliance Report itemizing each of Developer's obligations under this Agreement during the preceding calendar year. If this report is not received within this timeframe, the City will notify Developer in writing of such deficiency. Thereafter, Developer shall have ten (10) days to file the Annual Compliance Report with DPD. Developer's failure to timely submit the report will constitute an event of default.

7.08 Arms-Length Transactions. Unless DPD has given its prior written consent with respect thereto, no Affiliate of Developer may receive any portion of NOF Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any NOF-Funded Improvement or other Project Costs, as applicable. Developer shall provide information with respect to any entity to receive NOF Funds directly or indirectly (whether through payment to the Affiliate by Developer and

reimbursement to Developer for such costs using NOF Funds, or otherwise), upon DPD's request, prior to any such disbursement.

7.09 Conflict of Interest. 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 NOF program, or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the Redevelopment Area.

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

7.11 Financial Statements. Developer shall obtain and provide to DPD Financial Statements for Developer's most recent fiscal year ended before the Closing Date and each year thereafter for the Term of the Agreement. In addition, 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.

7.12 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit C.

7.13 Compliance with Laws. To the best of 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, Developer shall provide evidence satisfactory to the City of such compliance.

7.14 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property in the Recorder's Office of Cook County. If the Permitted Liens include any existing mortgages, such mortgagee must execute a subordination agreement acceptable to the City in its sole discretion.

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

7.16 Non-Governmental Charges. Except for the Permitted Liens, and subject to the next sentence, the Developer agrees to pay or cause to be paid when due any Non-Governmental Charges.

The Developer has the right, before any delinquency occurs, to contest any Non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

7.17 Governmental Charges.

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

(b) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

(i) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by 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; or

(ii) 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.

7.18 Developer's Failure to Pay or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, 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 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 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 Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

7.19 FOIA and Local Records Act Compliance.

(a) FOIA. The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then the Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that the Developer submits to the City with the Annual Compliance or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et seq., as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

7.20 Sustainable Development Policy. Developer shall provide evidence acceptable to the City that they have complied with the Sustainable Development Policy for the Project within one (1) year after the date of the Certificate. If a default occurs under this Section 7.20, the City shall have the right to reduce the City Funds by $250,000 as described in Section 11.02.

SECTION 8. MAINTAINING RECORDS AND RIGHT TO INSPECT

8.01 Books and Records. The Developer, the general contractor and each subcontractor shall keep and maintain books and records that fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto and as otherwise necessary to evidence the Developer's compliance with its obligations under this Agreement, including, but not limited to, payroll records, general contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices and the like. Such books and

records shall be available at the applicable party's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense.

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

SECTION 9. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that it has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with the requirements of all Environmental Laws and this Agreement. 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 and relating to the Project or the Property.

SECTION 10. INDEMNIFICATION

Developer agrees to indemnify, defend and hold the City, its officers, officials, members, agents and employees harmless from and against any and all losses, costs, damages, liabilities, claims, suits, judgments, demands, actions, causes of action of every kind or nature and expenses (including, without limitation, attorneys' fees and court costs) arising out of or incidental to the failure of Developer to perform its obligations under this Agreement. Upon reasonable notice from the City of any claim which the City believes to be covered hereunder, Developer shall timely appear in and defend all suits brought upon such claim and shall pay all costs and expenses incidental thereto, but the City shall have the right, at its option and at its own expense, to participate in the defense of any suit, without relieving Developer of any of its obligations hereunder. The obligations set forth in this section shall survive any termination or expiration of this Agreement.

SECTION 11. DEFAULT AND REMEDIES

11.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 7 (Covenants, Representations, and Warranties of Developer), shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of Developer to complete the Project in accordance with the terms of this Agreement;

(b) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

(c) the making or furnishing by 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) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, 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;

(e) 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;

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

(g) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the DPD's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement; or

(h) in the event the Developer relocates the business without the prior written consent of the City during the Term of the Agreement.

11.02 Remedies. Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend disbursement of NOF Funds and may seek reimbursement of NOF Funds. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy.

Upon the occurrence of an Event of Default because of failure to comply with Section 7.07 (Annual Compliance Report), Developer shall be obligated to pay to the City the amount of $10,000 as liquidated damages, and not as a penalty, which such payment shall be required no more often than once per calendar year. Any payment of liquidated damages by Developer shall not relieve Developer of its obligation under Section 7.07.

11.03 Cure Period. In the event Developer shall fail to perform a covenant which 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 Developer has failed to perform such covenant within thirty (30) days of its receipt of a written notice from the City specifying that it has failed to perform such covenant; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, 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 12. MORTGAGING OF THE PROJECT

The Permitted Liens are the only mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof. No mortgagee shall have the right to succeed to the Developer's rights under this Agreement unless the sale, assignment, or transfer receives the sole written consent of the City. This consent shall be in the City's sole discretion and which, if granted, may be conditioned upon, among other things, the assignee's assumption of all of the Developer's obligations under this Agreement.

Upon the request of a lender providing Lender Financing, the City shall agree to subordinate its interests under this Agreement to the mortgage of such lender pursuant to a written subordination agreement, the form of which shall be in a form reasonably acceptable to the City and Corporation Counsel.

SECTION 13. GENERAL PROVISIONS

13.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 13.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental or construction obligations of Developer by more than ten percent (10%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than one-hundred and eighty (180) days.

13.02 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.

13.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

13.04 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.

13.05 No Implied Waivers. No waiver by either Party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either Party in any case will, of itself, entitle that Party to any further notice or demand in similar or other circumstances.

13.06 Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

13.07 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.

13.08 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.

13.09 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.

13.10 Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each Party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

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

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

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

immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

13.14. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the Notice Address, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

13.15. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

13.16. Survival of Agreements. All warranties, representations, covenants and agreements of this Agreement shall be true, accurate and complete at the time of the execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and shall be in effect throughout the Term of the Agreement.

13.17. Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.

13.18. Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

(Sub)Exhibits "A", "B", "C", "D", "E" and "F" referred to in this Redevelopment Agreement with Carole Robertson Center for Learning read as follows:

(Sub)Exhibit "A".
(To Redevelopment Agreement With Carole Robertson Center For Learning)

Legal Description Of The Property.

Legal Description:

Lot 1 (except the west 8.0 feet thereof), Lot 14 (except the west 8.0 feet thereof), and Lots 2 through 7, both inclusive, all in Block 1, together with the 16-foot vacated alley lying east of the east line of Lot 14 and lying west of the west line of Lots 2 thru 7, both inclusive, and lying north of the north line of the C.B. and Q.R.R. right-of-way all in Block 1 in Levi P. Morton's Subdivision of the southeast quarter of the southwest quarter of Section 24, Township 39 North, Range 13 (excepting the right-of-way of the C.B. and Q.R.R.), all in Cook County.

Property Address:

2929 West 19th Street
Chicago, Illinois 60623.

Property Identification Number ("PIN"):

16-24-306-005-000.

(Sub) Exhibit "B".
(To Redevelopment Agreement With Carole Robertson Center For Learning)

Project Budgets.

		Project Budget	MBE/WBE Budget	NOF-Funded Improvements
1.0-4.0	**Total Acquisition Costs**	**$0**		**$0**
	Hard Costs			
G total	*Building Sitework*	$294,383	$294,383	$294,383
A total	*Substructure*	$41,700	$41,700	$41,700
B total	*Shell*	$359,125	$359,125	$359,125
C total	*Interiors*	$2,046,329	$2,046,329	$2,046,329
D total	*Services*	$2,222,084	$2,222,084	$2,222,084
E total	*FFE*	$2,230,798		
F total	*Special Construction & Demolition*	$205,698	$205,698	$205,698
Z total	*Hard Cost Contingency*	$607,435	$607,435	
	Total Hard Costs	**$8,007,552**	**$5,776,754**	**$5,169,319**
	Percentage of Eligible Hard Costs			65%
	Soft Costs			
1.1	*Architecture & Engineering*	$1,010,457		$1,010,457
1.2-1.5	*Other Professional Services*	$610,675		$394,225
2.0 total	*Construction Management*	$301,743		$194,792
3.0 total	*Permits & Titles*	$100,000		
4.0 total	*Construction Equipment, Rentals & Tools*	$355,300		
5.0 total	*Developer Fee*	$0		$0
6.0 total	*Soft Cost Contingency*	$100,000		
7.0 total	*General Conditions & Requirements*	$1,153,041		$744,352
8.0 total	*Overhead & Profit*	$291,965		$188,480
	Total Soft Costs	**$3,923,181**		**$2,532,30 5**
	Total	**$11,930,733**	**$5,776,754**	**$7,701,624**
	Project MBE Total at 26%		**$1,501,956**	
	Project WBE Total at 6%		**$346,605**	

(Sub)Exhibit "C".
(To Redevelopment Agreement With Carole Robertson Center For Learning)

Insurance Requirements.

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

(A) Before Execution And Delivery Of This Agreement.

1) Workers' Compensation And Employer's Liability.

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

2) Commercial General Liability.

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed by Sub-developers, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or Developer may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of Developer. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of Developer's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations.

The City's additional insured status must apply to liability and defense of suits arising out of Developer's acts or omissions, whether such liability is attributable to the Contractor or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. Developer's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

3) Automobile Liability.

A Business Auto Policy covering any motor vehicles (owned, non-owned and hired) which are used in connection with work, services, or operations to be performed, must be maintained by the Developer. Limits of not less than $1,000,000 per accident for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, noncontributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

4) All Risk Property.

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

5) Blanket Crime (When Applicable).

When applicable, Developer must maintain Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by employee dishonesty, forgery or alteration, fund transfer fraud, robbery, theft, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit shall be written to cover losses in the amount of the maximum monies collected or received and in the possession of Developer at any given time under this Agreement.

(B) Construction. Before the construction of any portion of the Project, Developer shall procure and maintain, or cause its architects, contractors, subcontractors, project managers, and other parties constructing the Project to procure and maintain, the following types and amounts of insurance:

1) Workers' Compensation And Employer's Liability.

Workers' Compensation Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employer's Liability coverage with limits of not less than $1,000,000 each accident; $1,000,000 disease-policy limit and $1,000,000 disease-each employee, or the full per occurrence limits of the policy, whichever is greater.

2) Commercial General Liability.

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to, the following: all premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, separation of insureds, defense, contractual liability (not to include endorsement CG 21 39 or equivalent), no exclusion for damage to work performed, any limitation of coverage for designated premises or project is not permitted (not to include endorsement CG 21 44 or equivalent) and any endorsement modifying or deleting the exception to the Employer's Liability exclusion is not permitted. Where the general aggregate limit applies, the general aggregate must apply per project/location and once per policy period if applicable, or Insured may obtain separate insurance to provide the required limits which will not be subject to depletion because of claims arising out of any other work or activity of Insured. If a general aggregate applies to products/completed operations, the general aggregate limits must apply per project and once per policy period.

The City must be provided additional insured status with respect to liability arising out of Insured's work, services or operations and completed operations performed on behalf of the City. Such additional insured coverage must be provided on ISO form CG 2010 10 01 and CG 2037 10 01 or on an endorsement form at least as broad for ongoing operations and completed operations. The City's additional insured status must apply to liability and defense of suits arising out of Insured's acts or omissions, whether such liability is attributable to the Insured or to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted. Insured's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

3) Automobile Liability.

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services, or operations to be performed, Automobile Liability Insurance must be maintained with limits of not less than $2,000,000 per occurrence for bodily injury and property damage and covering the ownership, maintenance, or use of any auto whether owned, leased, non-owned or hired used in the performance of the work or services. The City is to be added as an additional insured on a primary, noncontributory basis. A copy of the physical "Additional Insured" endorsement must accompany the Certificate of Insurance when submitted.

4) Umbrella Or Excess.

Umbrella or Excess Liability Insurance must be maintained with limits of not less than $10,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employer's Liability and Completed Operations coverage required herein and expressly provide that the Excess or Umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without the right of contribution by any other insurance or self-insurance maintained by or available to the City.

A combination of primary and Excess/Umbrella policies may be used to satisfy the limits of liability required under Workers' Compensation, Employer's Liability, Commercial General Liability, and Automobile Liability.

5) Professional Liability (When Applicable).

When any professional consultants perform any work, services or operations in connection with this Agreement, Professional Liability Insurance covering acts, errors or omissions must be maintained with limits of not less than $2,000,000 per claim. Coverage must include, but not be limited to, technology errors and omissions and pollution liability if environmental site assessments are conducted, when applicable. When policies are renewed or replaced, 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 two (2) years.

6) Pollution Liability Insurance (When Applicable).

When any remediation work or services performed involves a potential pollution risk that may arise from the operations in connection with the work that may fall under the scope and direction of the Developer, the Developer must cause remediation contractor to provide Pollution Liability coverage with limits no less than $2,000,000 per occurrence or claim and $2,000,000 aggregate per policy period of one year. Coverage must be provided or caused to be provided, covering bodily injury, property damage and other losses caused by pollution conditions. Coverage must include but not be limited to completed operations, contractual liability, defense, excavation, environmental cleanup, remediation, and disposal and if applicable, include transportation and non-owned disposal coverage. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

The City must be provided with an additional insured status with respect to liability arising out of work, services or operations performed on behalf of the City. The City's additional insured status must apply to liability and defense of suits arising out of Insured's acts or omissions, whether such liability is attributable to the Insured or to the City on an additional insured endorsement form acceptable to the City. The City is to be named as an additional insured on a primary, noncontributory basis. The Developer and any other Insured shall comply with any additional insurance requirements that are stipulated by the Interstate Commerce Commission's regulations, Title 49 of the Code of Federal Regulations, Department of Transportation; Title 40 of the Code of Federal Regulations, Protection of the Environment and any other federal, state or local regulations concerning the removal and transportation of Hazardous Materials.

The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. Insured's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

7) Valuable Papers (When Applicable).

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

8) Installation Floater (When Applicable).

When any construction is undertaken, but there is no real property construction taking place, Developer must cause to provide All Risk Installation Floater Insurance to cover installation work, including improvements, betterments, and/or repairs. The Installation Floater must provide for replacement cost of materials, supplies, equipment, machinery and fixtures that are or will be part of the final project. Coverages must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City of Chicago is to be named as an additional insured and loss payee.

9) Builders Risk (When Applicable).

When any construction, including improvements, betterments, and/or repairs to real property, is undertaken, Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery, and fixtures that are or will be part of the project. Coverage(s) must include, but are not limited to, the following: material stored off-site and in-transit; collapse; water, including leakage, overflow, sewer backup or seepage; debris removal; landscaping; and faulty workmanship or materials. The City of Chicago is to be named as an additional insured and loss payee.

10) Railroad Protective Liability (When Applicable).

When, in connection with this Agreement, any work is to be done within 50 feet adjacent to or on property owned by a railroad or public transit entity, Developer shall procure and maintain, or cause to be procured and maintained, with respect to the operations that Developer or any Insured shall perform, railroad protective liability insurance in the name of such railroad or public transit entity. The policy shall have limits of not less than $2,000,000 per occurrence, combined single limit, and $6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

11) Marine Protection And Indemnity (When Applicable).

When Developer undertakes any marine operation in connection with this Agreement, Developer must provide, or cause to provide, Marine Protection and Indemnity coverage with limits of not less than $1,000,000 per occurrence.

Coverage must include, but not be limited to: property damage and bodily injury to third parties; injuries to crew members if not provided through other insurance; damage to wharves, piers and other structures; and collision. The City of Chicago is to be named as an additional insured.

(C) Post Construction.

1) All Risk Property.

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

(D) Additional Requirements.

Evidence Of Insurance. Developer must furnish the City of Chicago, Certificates of Insurance (COI) and additional insured endorsement, or other evidence of insurance, to be in force on the date of this Agreement, and renewal COIs and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance prior to execution of Agreement. The receipt of any COI does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the COI are in compliance with all requirements of Agreement. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Developer, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Developer must advise all insurers of the Agreement provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect the Developer for liabilities which may arise from or relate to the Agreement. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time.

Failure To Maintain Insurance. Failure of the Developer to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility nor does it relieve Developer of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

Notice Of Material Change. Cancellation or Non-Renewal. Developer must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium. A copy of the physical endorsements must accompany the Certificate of Insurance for General Liability, Automobile Liability and Workers' Compensation in order to comply with the insurance requirements.

Deductibles And Self-Insured Retentions. Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer.

Waiver Of Subrogation. Developer hereby waives its rights and its insurer(s)' rights of, and agrees to require their insurers to waive their rights of, subrogation against the City under all required insurance herein for any loss arising from or relating to this Agreement. The Developer agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether the City receives a waiver of subrogation endorsement for Developer's insurer(s).

Developers Insurance Primary. All insurance required of Developer under this Agreement shall be endorsed to state that Developer's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation As To Developer's Liabilities. The coverages and limits furnished by the Developer in no way limit the Developer's liabilities and responsibilities specified within the Agreement or by law.

No Contribution By The City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Developer under this Agreement.

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

Insurance And Limits Maintained. If Developer maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled to the higher limits and/or broader coverage maintained by Developer. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture Or Limited Liability Company. If Developer is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance Obtained By Developer. If Developer desires additional coverages, the Developer will be responsible for the acquisition and cost.

Insurance Required Of Contractor And Subcontractors. Developer must require Contractor and Subcontractors to provide the insurance required herein, or Developer may provide the coverages for Contractor and Subcontractors. All Contractors and Subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in this Agreement. The Developer is responsible for ensuring that each Contractor and Subcontractor has named the City of Chicago as an additional insured where required, as well as specifically naming the City of Chicago as an additional insured on any endorsement form at least as broad and acceptable to the

City. The Developer is also responsible for ensuring that each Contractor and Subcontractor has complied with the required coverage and terms and conditions outlined in this Section D, Additional Requirements. When requested by the City, the Developer must provide to the City Certificates of Insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Contractors and Subcontractors to comply with required coverage and terms and conditions outlined herein will not limit Developer's liability or responsibility.

City's Right To Modify. Notwithstanding any provisions in the Agreement to the contrary, the City, Department of Finance, Risk Management Division, maintains the right to modify, delete, alter or change these requirements.

(Sub)Exhibit "D".
(To Redevelopment Agreement With Carole Robertson Center For Learning)

Requisition Form.

State of Illinois)
) SS.
County of Cook)

The affiant, [Name Of Developer], [Title] of [Development Company] (the "Developer"), hereby certifies that with respect the Redevelopment Agreement between Developer and the City of Chicago dated _____, _____ (the "Agreement"):

A. Total expenditures for the Project, in the total amount of $_____, have been made:

B. NOF Eligible Improvements for the Project, in the amount of $_____, have been made:

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

$_____

D. Developer requests reimbursement for the following cost of NOF Eligible Improvements:

$_____

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

*G. 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 Agreement are true and correct and the Developer is in compliance with all applicable covenants contained herein.

2. 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 have the meanings given such terms in the Agreement. The City shall have the right, in its discretion, to require Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any disbursement by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by Developer.

[Developer]

By: _____

Name: _____

Title: _____

Subscribed and sworn before me this
____ day of _____, 20___.

_____
Notary Public

My commission expires: _____

* Editor's note: Lettering sequence error; F missing in original document.

(Sub)Exhibit "E".
(To Redevelopment Agreement With Carole Robertson Center For Learning)

Annual Compliance Report.

Carole Robertson Center For Learning
Neighborhood Opportunity Fund Redevelopment Agreement
[Project Name]

Dated as of [Insert Date]

[Insert Year] Annual Compliance Report

Pursuant to Section 7.07 of the above referenced redevelopment agreement ("RDA"), [Insert Developer Name] ("Developer") is committed to providing an annual compliance report.

Obligations under the Agreement during the [Insert Year] calendar year:

(a) Itemize each of Developer's obligations under this Agreement during the preceding calendar year:

-- Compliance with the Operations Covenant (Section 7.04) -- Pursuant to Section 7.04 of the RDA, the Developer is required to maintain its operations at the Project.

-- Compliance with the Occupancy Covenant (Section 7.05) -- Pursuant to Section 7.05 of the RDA, at least seventy-five percent (75%) of the Project has remained occupied, and otherwise open for business.

-- [Applicable only for 12 months following project completion] Compliance with Local Hiring Funds (Sections 4.05(a) and 7.06) -- Pursuant to Sections 4.05(a) and 7.06 of the RDA, Developer is required to maintain [Insert Local Hiring] and submit evidence of compliance to [prove local residency] or [verify that new employees reside in an eligible area and to prove up wage expenses paid].

-- Delivery of Financial Statements and unaudited financial statements (Section 7.11).

-- Delivery of updated insurance certificate (Section 7.12).

-- Provide evidence of payment of Non-Governmental Charges (Section 7.16).

-- Compliance with all executory provisions of the RDA.

(b) Certify Developer's compliance or noncompliance with such obligations.

-- The Project is in operation.

-- The Property is [Insert Percentage] occupied.

(c) Attach evidence of such compliance or noncompliance.

(d) Provide a report stating the number of jobs, if any, created as a result of the Project for this reporting period.

(e) Certify that Developer is not in default beyond applicable notice and cure period with respect to any provision of the Agreement or any related agreements;

-- Developer hereby certifies that the project is not in default with any provisions of the Agreement.

Attachments.

I certify that the Developer is not in default with respect to any provision of the Redevelopment Agreement, or any related agreements.

_____ _____

[Insert Developer Name] [Insert Date]

(Sub)Exhibit "F".
(To Redevelopment Agreement With
Carole Robertson Center For Learning)

Construction Compliance.

Agreements With Contractors.

1. Bid Requirement For General Contractor And Subcontractors. Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project,

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, if requested, for its inspection and written approval. For the NOF-Funded Improvements, Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner.

2. Construction Contract. Prior to the Closing Date, the Developer must provide DPD with a certified copy of the construction contract, together with any modifications, amendments, or supplements thereto, and upon DPD's request, a copy of any subcontracts. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the NOF-Funded Improvements shall be provided to DPD within five (5) business days of the execution thereof.

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

4. Employment Profile. Upon DPD's request, the Developer, the General Contractor, and all subcontractors must submit to DPD statements of their respective employment profiles. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the Construction Hiring Requirements.

5. Other Provisions. In addition to the requirements of Agreements with Contractors, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.06 (Change Orders), (Sub)Exhibit F Construction Hiring Requirements, and Section 8.01 (Books and Records) of the RDA.

Construction Hiring Requirements.

1. Employment Opportunity. The Developer 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 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 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 paragraph, 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 (1) through (4) 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 paragraph shall be a basis for the City to pursue its remedies under the Redevelopment Agreement.

2. Prevailing Wage. The Developer, the General Contractor and all subcontractors must pay the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all persons working on the Project. 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 Prevailing Wage.

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

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

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

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner in triplicate, which shall clearly identify the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

Good faith efforts on the part of the Developer, the General Contractor, and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this paragraph concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this paragraph 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 paragraph. Therefore, in such a case of noncompliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

4. 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 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 paragraph 4, during the course of the Project, at least the following percentages of the MBE/WBE Budget attached hereto as (Sub)Exhibit B (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

i. At least 26 percent by MBEs; and

ii. At least 6 percent by WBEs.

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

(c) Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE Commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture; or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both an MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE Commitment as described in this paragraph 4. 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) Prior to the City's issuance of a Final Certificate, the Developer shall provide to DPD a final report describing its efforts to achieve compliance with this MBE/WBE Commitment. Such report 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 has access to the Developer's books and records;

including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with the Redevelopment 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 paragraph 4 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

(g) Prior to the commencement of the Project, the Developer, the General Contractor, and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Section 7.04. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Section 7.04, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall, upon the request of the monitoring staff of DPD, such interim reports as the monitoring staff may require. 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.

SUPPLEMENTAL APPROPRIATION AND AMENDMENT OF YEAR 2025 ANNUAL APPROPRIATION ORDINANCE WITHIN FUND NO. 925.

[O2025-0020498]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning an Annual Appropriation Ordinance Year 2025

amendment within Fund Number 925 (direct introduction), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

Alderperson Ervin moved to divide the question so as to consider separately the approval of Items 2 and 3 and to withhold consideration of item 1 as contained in the ordinance amending the Annual Appropriation Ordinance for the Year 2025 within Fund Number 925 (O2025-0020498).

The clerk called the roll and the motion to divide the question failed to pass by yeas and nays as follows:

Yeas -- Alderpersons Mitchell, Lopez, Moore, Mosley, Ervin, Nugent, Vasquez -- 7.

Nays -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, O'Shea, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 38.

Thereupon, on motion of Alderperson Ervin, the said proposed ordinance was *Passed* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The Annual Appropriation Ordinance for the year 2025 (the "2025 Appropriation Ordinance") of the City of Chicago (the "City") contains estimates of revenues receivable as grants from agencies of the state and federal governments and public and private agencies; and

WHEREAS, The City through its Department of Public Health ("CDPH") has been awarded private grant funds in the amount of $200,000 by the National Football League Foundation for the NFL Social Justice program; and

WHEREAS, The City through CDPH has been awarded additional federal grant funds in the amount of $360,000 by the United States Department of Health and Human Services for the Sexually Transmitted Disease Prevention program; and

WHEREAS, The City through its Department of Police has been awarded state grant funds in the amount of $500,000 by the Illinois Law Enforcement Training and Standards Board for the National Integrated Ballistics Information Network (NIBIN) program; and

WHEREAS, The City through its Department of Water Management is appropriating surplus, reallocated federal COVID-19 grant funds in the amount of $6,481,000 for the Community Block Development Block Grant CARES Act (CDBG-CV) Lead Service Line Replacement program; now, therefore,

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

SECTION 1. The amount of $7,541,000 is hereby appropriated from Fund 925 -- Grant Funds for the year 2025. The 2025 Annual Appropriation Ordinance is hereby amended by striking the words and figures and adding the words and figures indicated in the attached Exhibit A which is hereby made a part hereof.

SECTION 2. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 3. This ordinance shall be in full force and effect upon its passage and approval.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Amendment To The 2025 Appropriation Ordinance.

Estimate Of Grant Revenue For 2025.

Code	Department And Item	Strike Amount	Add Amount
925F	Federal Grant Fund	$2,763,425,090	$2,763,785,090
925L	Local Public And Private Grant Fund	129,038,000	129,238,000
925S	State Grant Fund	1,142,746,707	1,143,246,707
925C	COVID-19 Grant Fund	357,019,000	363,500,000

Department Number	Department And Grant Name	Strike Amount 2025 Anticipated Grant	Add Amount 2025 Anticipated Grant	Strike Amount (2025 Total) Includes Anticipated Carryover	Add Amount (2025 Total) Includes Anticipated Carryover	Strike Amount (2025 Total)	Add Amount (2025 Total)
041	Department Of Public Health:						
925L	NFL Social Justice		$ 200,000			$ 79,000	$ 279,000
925F	Sexually Transmitted Disease Prevention	$2,413,690	2,773,690			4,323,690	4,683,690

Department Number	Department And Grant Name	Strike Amount 2025 Anticipated Grant	Add Amount 2025 Anticipated Grant	Strike Amount (2025 Total) Includes Anticipated Carryover	Add Amount (2025 Total) Includes Anticipated Carryover	Strike Amount (2025 Total)	Add Amount (2025 Total)
057	Department Of Police:						
925S	NIBIN		$ 500,000				$ 500,000
088	Department Of Water Management:						
925C	CDBG-CV		6,481,000				6,481,000

TRANSFER OF YEAR 2025 FUNDS FROM 1ST WARD WAGE ALLOWANCE ACCOUNT TO ALDERMANIC EXPENSE ACCOUNT.

[O2025-0019278]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning a transfer of funds within 1st Ward Wage Allowance/ Aldermanic Expense Account for Year 2025 (O2025-0019278), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2301	0017	$2,500

TO:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2301	9008	$2,500

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 1 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 3RD WARD WAGE ALLOWANCE ACCOUNT TO ALDERMANIC EXPENSE ACCOUNT.

[O2025-0019114]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning a transfer of funds within 3rd Ward Wage Allowance/ Aldermanic Expense Account for Year 2025 (O2025-0019114), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2303	0017	$50,000

TO:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2303	9008	$50,000

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 3 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 11TH WARD ALDERMANIC EXPENSE ACCOUNT TO WAGE ALLOWANCE ACCOUNT.

[SO2025-0019908]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a substitute ordinance concerning a transfer of funds within 11th Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (SO2025-0019908), begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2311	9008	$40,000

TO:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2311	0017	$40,000

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 11 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 15TH WARD WAGE ALLOWANCE ACCOUNT TO ALDERMANIC EXPENSE ACCOUNT.

[O2025-0018959]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning a transfer of funds within 15th Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (O2025-0018959), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2315	0017	$10,800

TO:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2315	9008	$10,800

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 15 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 21ST WARD WAGE ALLOWANCE ACCOUNT TO ALDERMANIC EXPENSE ACCOUNT.

[SO2025-0019903]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a substitute ordinance concerning a transfer of funds within 21st Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (SO2025-0019903), begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2321	0017	$15,000

TO:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2321	9008	$15,000

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 21 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 33RD WARD WAGE ALLOWANCE ACCOUNT TO ALDERMANIC EXPENSE ACCOUNT.

[O2025-0018913]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration an ordinance concerning a transfer of funds within 33rd Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (O2025-0018913), begs leave to report and recommend that Your Honorable Body *Pass* the proposed ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/Department	Account	Amount	Ward
Wage Allowance	0100	015/2333	0017	$18,000	33

TO:

Purpose	Fund	Code/Department	Account	Amount	Ward
Aldermanic Expense Account	0100	015/2333	9008	$18,000	33

SECTION 2. The sole purpose of this transfer of funds is to provide funds to meet the necessary obligations of 9008 Aldermanic Expense Account for Ward 33 during said year.

SECTION 3. This ordinance shall be in full force and effect 10 days following its passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 48TH WARD ALDERMANIC EXPENSE ACCOUNT TO WAGE ALLOWANCE ACCOUNT.

[SO2025-0019433]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a substitute ordinance concerning a transfer of funds within 48th Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (SO2025-0019433), begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2348	9008	$50,000

TO:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2348	0017	$50,000

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 48 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

TRANSFER OF YEAR 2025 FUNDS FROM 49TH WARD ALDERMANIC EXPENSE ACCOUNT TO WAGE ALLOWANCE ACCOUNT.

[SO2025-0019898]

The Committee on the Budget and Government Operations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on the Budget and Government Operations, having had under consideration a substitute ordinance concerning a transfer of funds within 49th Ward Wage Allowance/Aldermanic Expense Account for Year 2025 (SO2025-0019898), begs leave to report and recommend that Your Honorable Body *Pass* the proposed substitute ordinance transmitted herewith.

This recommendation was concurred in by a viva voce vote of the members of the committee.

(Signed) JASON C. ERVIN,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell 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. The City of Chicago's Comptroller is authorized and directed to make the following transfer of funds for the year 2025. This transfer will leave sufficient unencumbered appropriations to meet all liabilities that have been or may be incurred during said year payable from such appropriations:

FROM:

Purpose	Fund	Code/ Department	Account	Amount
Aldermanic Expense Account	0100	015/2349	9008	$32,000

TO:

Purpose	Fund	Code/ Department	Account	Amount
Wage Allowance	0100	015/2349	0017	$32,000

SECTION 2. The sole purpose of this transfer is to provide funds to meet the necessary obligations of Ward 49 during said year.

SECTION 3. This ordinance takes effect 10 days after passage and publication.

Rules Suspended -- TIME FIXED FOR PUBLIC HEARING ON EXECUTIVE BUDGET FOR YEAR 2026.

[R2025-0020445]

Alderperson Ervin moved to introduce the following proposed resolution:

WHEREAS, Mayor Brandon Johnson, on October 16, 2025, submitted to the City Council the Executive Budget of the City of Chicago for the fiscal year beginning January 1, 2026 and ending December 31, 2026; and

WHEREAS, It is provided by law that at least one public hearing shall be held by the corporate authorities on the budget document not less than one week after publication thereof in such manner as the corporate authorities may determine, and prior to final action thereon; and

WHEREAS, It is further provided by law that notice of such hearing shall be given by publication in a newspaper having general circulation in the City of Chicago not less than one week prior to the time of such hearing; now, therefore,

Be It Resolved, That the budget document for the fiscal year beginning January 1, 2026 and ending December 31, 2026, as submitted by the Mayor to the City Council, be published in pamphlet form and made available for public inspection in the Office of the City Clerk no later than October 20, 2025; and

Be It Further Resolved, That the public hearing on said budget document be held by the City Council at 11:30 A.M. on November 14, 2025 in the City Council Chamber in City Hall; and the City Clerk is hereby directed to cause a notice of such hearing to be published in a newspaper having general circulation in the City of Chicago at least one week prior to the time of such public hearing.

Alderperson Ervin moved to *Suspend the Rules Temporarily* for immediate consideration of and action upon the foregoing proposed resolution. The motion *Prevailed.*

Thereupon, on motion of Alderperson Ervin, the foregoing proposed resolution was *Adopted* by a viva voce vote.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REGULAR ORDER OF BUSINESS RESUMED.

COMMITTEE ON ECONOMIC, CAPITAL AND TECHNOLOGY DEVELOPMENT.

APPOINTMENT OF TIAGO PAPPAS AS MEMBER OF LAKEVIEW EAST COMMISSION (SPECIAL SERVICE AREA NO. 8).

[A2025-0019857]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Tiago Pappas as a member of Special Service Area Number 8, the Lakeview East Commission (A2025-0019857), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Tiago Pappas as a member of Lakeview East Commission (Special Service Area Number 8) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF LORRAINE RIEFF LIAKOURAS AS MEMBER OF GREEKTOWN/HALSTED COMMISSION (SPECIAL SERVICE AREA NO. 16).
[A2025-0019858]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Lorraine Rieff Liakouras as a member of Special Service Area Number 16, the Greektown/ Halsted Commission (A2025-0019858), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Lorraine Rieff Liakouras as a member the Greektown/ Halsted Commission (Special Service Area Number 16) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF NICHOLAS A. YASSAN AS MEMBER OF GREATER RAVENSWOOD COMMISSION (SPECIAL SERVICE AREA NO. 31).

[A2025-0019863]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Nicholas A. Yassan as a member of Special Service Area Number 31, the Greater Ravenswood Commission (A2025-0019863), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Nicholas A. Yassan as a member of the Greater Ravenswood Commission (Special Service Area Number 31) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF NOREEN KEENEY AS MEMBER OF UPTOWN COMMISSION (SPECIAL SERVICE AREA NO. 34).

[A2025-0019866]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Noreen Keeney as a member of Special Service Area Number 34, the Uptown Commission (A2025-0019866), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Noreen Keeney as a member the Uptown Commission (Special Service Area Number 34) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF ANDREW PILLMAN AS MEMBER OF UPTOWN COMMISSION (SPECIAL SERVICE AREA NO. 34).

[A2025-0019864]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Andrew Pillman as a member of Special Service Area Number 34, the Uptown Commission (A2025-0019864), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Andrew Pillman as a member of the Uptown Commission (Special Service Area Number 34) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF MATTHEW L. RUFFI AS MEMBER OF UPTOWN COMMISSION (SPECIAL SERVICE AREA NO. 34).

[A2025-0019867]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Matthew L. Ruffi as a member of Special Service Area Number 34, the Uptown Commission (A2025-0019867), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Matthew L. Ruffi as a member of the Uptown Commission (Special Service Area Number 34) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF KARL D. SULLIVAN AS MEMBER OF UPTOWN COMMISSION (SPECIAL SERVICE AREA NO. 34).

[A2025-0019872]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Karl D. Sullivan as a member of Special Service Area Number 34, the Uptown Commission (A2025-0019872), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Karl D. Sullivan as a member of the Uptown Commission (Special Service Area Number 34) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF TERRY N. TUOHY AS MEMBER OF UPTOWN COMMISSION (SPECIAL SERVICE AREA NO. 34).

[A2025-0019873]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Terry N. Tuohy as a member of Special Service Area Number 34, the Uptown Commission (A2025-0019873), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the Committee's recommendation was *Concurred In* and the said proposed reappointment of Terry N. Tuohy as a member of the Uptown Commission (Special Service Area Number 34) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF MALLORY MC CLAIRE AS MEMBER OF 103RD STREET BEVERLY COMMISSION (SPECIAL SERVICE AREA NO. 44).

[A2025-0019874]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Mallory McClaire as a member of Special Service Area Number 44, the 103rd Street Beverly Commission (A2025-0019874), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Mallory McClaire as a member of the 103rd Street Beverly Commission (Special Service Area Number 44) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF JEAN CLAUDE AUREL, JR. AS MEMBER OF 103RD HALSTED COMMISSION (SPECIAL SERVICE AREA NO. 45).

[A2025-0019875]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Jean Claude Aurel, Jr. as a member of Special Service Area Number 45, the 103rd Halsted Commission (A2025-0019875), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Jean Claude Aurel, Jr. as a member of the 103rd Halsted Commission (Special Service Area Number 45) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF MARQUITA GATLING AS MEMBER OF 103RD HALSTED COMMISSION (SPECIAL SERVICE AREA NO. 45).

[A2025-0019876]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Marquita Gatling as a member of Special Service Area Number 45, the 103rd Halsted Commission (A2025-0019876), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Marquita Gatling as a member of the 103rd Halsted Commission (Special Service Area Number 45) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF ROBERT H. BLOCK AS MEMBER OF OLD TOWN COMMISSION (SPECIAL SERVICE AREA NO. 48).

[A2025-0019877]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Robert H. Block as a member of Special Service Area Number 48, the Old Town Commission (A2025-0019877), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Robert H. Block as a member of the Old Town Commission (Special Service Area Number 48) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF JENNIFER L. TREMBLAY AS MEMBER OF OLD TOWN COMMISSION (SPECIAL SERVICE AREA NO. 48).

[A2025-0019878]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Jennifer L. Tremblay as a member of Special Service Area Number 48, the Old Town Commission (A2025-0019878), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Jennifer L. Tremblay as a member of the Old Town Commission (Special Service Area Number 48) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF VETA L. CALDWELL-CHARLES AS MEMBER OF CHATHAM COTTAGE GROVE COMMISSION (SPECIAL SERVICE AREA NO. 51).
[A2025-0019879]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Veta L. Caldwell-Charles as a member of Special Service Area Number 51, the Chatham Cottage Grove Commission (A2025-0019879), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Veta L. Caldwell-Charles as a member of the Chatham Cottage Grove Commission (Special Service Area Number 51) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF VERONICA CLARKE AS MEMBER OF CHATHAM COTTAGE GROVE COMMISSION (SPECIAL SERVICE AREA NO. 51).

[A2025-0019881]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Veronica Clarke as a member of Special Service Area Number 51, the Chatham Cottage Grove Commission (A2025-0019881), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Veronica Clarke as a member of the Chatham Cottage Grove Commission (Special Service Area Number 51) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

REAPPOINTMENT OF PATRICIA MC COY AS MEMBER OF CHATHAM COTTAGE GROVE COMMISSION (SPECIAL SERVICE AREA NO. 51).
[A2025-0019880]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the reappointment of Patricia McCoy as a member of Special Service Area Number 51, the Chatham Cottage Grove Commission (A2025-0019880), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed reappointment of Patricia McCoy as a member of the Chatham Cottage Grove Commission (Special Service Area Number 51) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF FRANTZIE BOURDEAU-GRIFFIN AS MEMBER OF 87TH STREET BUSINESS COMMISSION (SPECIAL SERVICE AREA NO. 81).
[A2025-0019883]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Frantzie Bourdeau-Griffin as a member of Special Service Area Number 81, the 87th Street Business Commission (A2025-0019883), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Frantzie Bourdeau-Griffin as a member of the 87th Street Business Commission (Special Service Area Number 81) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

APPOINTMENT OF NICHOLUS MALLORY AS MEMBER OF 87TH STREET BUSINESS COMMISSION (SPECIAL SERVICE AREA NO. 81).

[A2025-0019884]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, recommends *Approval* of the appointment of Nicholus Mallory as a member of Special Service Area Number 81, the 87th Street Business Commission (A2025-0019884), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor.

A recommendation of do approve was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

On motion of Alderperson Mosley, the committee's recommendation was *Concurred In* and the said proposed appointment of Nicholus Mallory as a member of the 87th Street Business Commission (Special Service Area Number 81) was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 18 (NORTH HALSTED STREET).

[O2025-0019781]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 18, North Halsted Street (O2025-0019781), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 18.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
18	0.65 percent	$491,504	Northalsted Special Service Area Commission	Northalsted Area Merchants Association d/b/a Northalsted Business Alliance

Establishment Ordinance:

Date: December 2, 2009
Journal pages: pages 79955 -- 80045.

Amendment(s) to Establishment Ordinance:

Date: November 15, 2023
Journal pages: pages 6791 -- 6811.

Attached Budget reads as follows:

Budget

Special Service Area #	18
SSA Name:	Northalsted

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)		2025 Levy: Collectable Levy	Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #147	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction		$40,800	$0	$23,000	$0	$0	$63,800
2.00 Public Way Aesthetics		$229,600	$0	$109,400	$0	$0	$339,000
3.00 Sustainability and Public Places		$3,000	$0	$0	$0	$0	$3,000
4.00 Economic/ Business Development		$500	$0	$0	$0	$0	$500
5.00 Public Health and Safety Programs		$80,150	$0	$29,500	$0	$0	$109,650
6.00 SSA Management		$55,215	$0	$0	$0	$0	$55,215
7.00 Personnel		$82,239	$0		$0	$0	$82,239
	Sub-total	$491,504	$0				
GRAND TOTALS	Levy Total	$491,504		$161,900	$0	$0	$653,404

LEVY ANALYSIS	
Estimated 2025 EAV:	$92,517,357
Authorized Tax Rate Cap	0.650%
Maximum Potential Levy limited by Rate Cap:	$601,363
Requested 2025 Levy Amount:	$491,504
Estimated Tax Rate to Generate 2025 Levy:	0.5313%

LEVY CHANGE FROM PREVIOUS YEAR	
2024 Levy Total (in 2025 budget)	$491,509
2025 Levy Total (in 2026 budget)	$491,504
Percentage Change	0.00%
Community meeting required if levy amount increases greater than 5% from previous levy.	

CARRYOVER CALCULATION	
2025 Budget Total	$666,550
Carryover request for 2026	$161,900
Percentage	24.659%
Must be less than 25%	

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 23 (CLARK STREET-LINCOLN PARK).

[O2025-0019782]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 23, Clark Street-Lincoln Park (O2025-0019782), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 23.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
23	0.40 percent	$547,380	Clark Street	Lincoln Park Chamber of Commerce, Inc.

Establishment Ordinance:

Date: December 4, 2002
Journal pages: pages 100184 -- 100274.

Amendment(s) to Establishment Ordinance:

Date: November 12, 2008
Journal pages: pages 45592 -- 45684.

Date: December 15, 2021
Journal pages: pages 42163 -- 42168.

Attached Budget reads as follows:

Budget

Special Service Area #	23
SSA Name:	Clark Street (Lincoln Park)

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Compnse Scope of Services)		2025 Levy Collectable Levy	Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #903	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction		$127,750	$0	$0	$0	$0	$127,750
2.00 Public Way Aesthetics		$224,500	$0	$140,000	$0	$0	$364,500
3.00 Sustainability and Public Places		$12,500	$0	$0	$0	$0	$12,500
4.00 Economic/ Business Development		$15,000	$0	$0	$0	$0	$15,000
5.00 Public Health and Safety Programs		$3,500	$0	$0	$0	$0	$3,500
6.00 SSA Management		$31,880	$0	$0	$0	$0	$31,880
7.00 Personnel		$132,250	$0		$0	$0	$132,250
	Sub-total	$547,380	$0				
GRAND TOTALS	Levy Total	**$547,380**		**$140,000**	**$0**	**$0**	**$687,380**

LEVY ANALYSIS	
Estimated 2025 EAV:	**$219,987,492**
Authorized Tax Rate Cap:	**0.400%**
Maximum Potential Levy limited by Rate Cap	**$879,950**
Requested 2025 Levy Amount	**$547,380**
Estimated Tax Rate to Generate 2025 Levy:	0.2488%

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 26 (EDGEWATER).

[O2025-0019783]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 26, Edgewater (O2025-0019783), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 26.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
26	0.550 percent	$580,268	Edgewater Commercial District Special Service Area Number 26 Commission	East Edgewater Chamber of Commerce, Inc., d/b/a Edgewater Chamber of Commerce

Establishment Ordinance:

Date: December 17, 2003
Journal pages: pages 15330 -- 15415.

Amendment(s) to Establishment Ordinance:

Date: November 15, 2012
Journal pages: pages 41464 -- 41642.

Attached Budget reads as follows:

Budget

	Special Service Area #	26
SSA Name:	Broadway Commercial District	

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)	2025 Levy: Collectable Levy	2025 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #937	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction	$59,000	$11,518	$30,000	$10,000	$11,512	$122,030
2.00 Public Way Aesthetics	$246,700	$0	$117,000	$97,889	$0	$461,589
3.00 Sustainability and Public Places	$10,000	$0	$0	$0	$0	$10,000
4.00 Economic/ Business Development	$72,000	$0	$5,000	$0	$0	$77,000
5.00 Public Health and Safety Programs	$7,000	$0	$0	$0	$0	$7,000
6.00 SSA Management	$50,050	$0	$0	$0	$0	$50,050
7.00 Personnel	$124,000	$0		$0	$0	$124,000
Sub-total	$568,750	$11,518				
GRAND TOTALS Levy Total	$580,268		$152,000	$107,889	$11,512	$851,669

LEVY ANALYSIS	
Estimated 2025 EAV:	$110,021,324
Authorized Tax Rate Cap:	0.550%
Maximum Potential Levy limited by Rate Cap:	$605,117
Requested 2025 Levy Amount:	$580,268
Estimated Tax Rate to Generate 2025 Levy:	0.5274%

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 34 (UPTOWN).

[O2025-0019784]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 34, Uptown (O2025-0019784), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 34.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
34	0.250 percent	$1,125,875	Uptown	Uptown United

Establishment Ordinance:

Date: December 7, 2005
Journal pages: pages 64364 -- 64468.

Amendment(s) to Establishment Ordinance:

Date: December 10, 2014
Journal pages: pages 99551 -- 99683.

Date: October 5, 2016
Journal pages: pages 32819 -- 32862.

Attached Budget reads as follows:

Exhibit A
Budget

Special Service Area #	34
SSA Name:	Uptown

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)		2025 Levy: Collectable Levy	2025 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #0A09	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction		$290,000	$0	$0	$0	$0	$290,000
2.00 Public Way Aesthetics		$381,945	$16,180	$60,000	$0	$16,180	$474,305
3.00 Sustainability and Public Places		$5,000	$0	$0	$0	$0	$5,000
4.00 Economic/ Business Development		$85,000	$0	$0	$0	$0	$85,000
5.00 Public Health and Safety Programs		$10,000	$0	$0	$0	$0	$10,000
6.00 SSA Management		$78,375	$0	$0	$0	$0	$78,375
7.00 Personnel		$259,375	$0		$0	$0	$259,375
	Sub-total	$1,109,695	$16,180				
GRAND TOTALS	Levy Total	$1,125,875		$60,000	$0	$16,180	$1,202,055

LEVY ANALYSIS	
Estimated 2025 EAV:	$450,350,000
Authorized Tax Rate Cap:	0.250%
Maximum Potential Levy limited by Rate Cap.	$1,125,875
Requested 2025 Levy Amount:	$1,125,875

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 35-2015 (LINCOLN AVENUE).

[O2025-0019785]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 35-2015, Lincoln Avenue (O2025-0019785), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5 et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 35-2015.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
35-2015	0.400 percent	$469,630	Lincoln Avenue	Lincoln Park Chamber of Commerce

Establishment Ordinance:

Date: November 18, 2015
Journal pages: pages 13277 -- 13302.

Amendment(s) to Establishment Ordinance:

None.

Attached Budget reads as follows:

Budget

	Special Service Area #	35-2015
SSA Name:	Lincoln Avenue	

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)		2025 Levy: Collectable Levy	Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #0D26	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction		$66,500	$0	$0	$0	$0	$66,500
2.00 Public Way Aesthetics		$236,000	$0	$100,000	$0	$0	$336,000
3.00 Sustainability and Public Places		$18,500	$0	$0	$0	$0	$18,500
4.00 Economic/ Business Development		$5,500	$0	$0	$0	$0	$5,500
5.00 Public Health and Safety Programs		$2,500	$0	$0	$0	$0	$2,500
6.00 SSA Management		$31,880	$0	$0	$0	$0	$31,880
7.00 Personnel		$108,750	$0		$0	$0	$108,750
	Sub-total	$469,630	$0				
GRAND TOTALS	Levy Total	**$469,630**		**$100,000**	**$0**	**$0**	**$569,630**

LEVY ANALYSIS	
Estimated 2025 EAV:	**$171,608,306**
Authorized Tax Rate Cap	**0.400%**
Maximum Potential Levy limited by Rate Cap	**$686,033**
Requested 2025 Levy Amount	**$469,630**
Estimated Tax Rate to Generate 2025 Levy:	**0.2738%**

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 62 (SAUGANASH).

[O2025-0019787]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 62, Sauganash (O2025-0019787), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

Be It Ordained by the City Council of the City of Chicago, as follows:

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 62.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
62	0.50 percent	$82,220	Sauganash Special Service Area Commission	Edgebrook Sauganash Chamber of Commerce

Establishment Ordinance:

Date: December 11, 2013
Journal pages: pages 70599 -- 70677.

Amendment(s) to Establishment Ordinance:

Date: December 14, 2022
Journal pages: pages 57992 -- 57997.

Attached Budget reads as follows:

Budget

Special Service Area #	62
SSA Name:	Sauganash

2026 BUDGET SUMMARY

Budget and Services Period January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)	2025 Levy: Collectable Levy	2025 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #0013	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction	$30,400	$1,950	$9,000	$0	$0	$41,350
2.00 Public Way Aesthetics	$29,200	$0	$15,000	$0	$0	$44,200
3.00 Sustainability and Public Places	$100	$0	$0	$0	$0	$100
4.00 Economic/ Business Development	$100	$0	$0	$0	$0	$100
5.00 Public Health and Safety Programs	$100	$0	$0	$0	$0	$100
6.00 SSA Management	$5,850	$0	$0	$0	$0	$5,850
7.00 Personnel	$14,520	$0		$0	$0	$14,520
Sub-total	$80,270	$1,950				
GRAND TOTALS Levy Total	$82,220		$24,000	$0	$0	$106,220

LEVY ANALYSIS	
Estimated 2025 EAV:	$21,347,572
Authorized Tax Rate Cap	0.500%
Maximum Potential Levy limited by Rate Cap:	$106,738
Requested 2025 Levy Amount:	$82,220

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 73 (CHINATOWN).

[O2025-0019788]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 73, Chinatown (O2025-0019788), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 73.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
73	0.800 percent	$103,290	Chinatown Commission	Chicago Chinatown Chamber of Commerce

Establishment Ordinance:

Date: December 13, 2017
Journal pages: pages 62833 -- 62845.

Amendment(s) to Establishment Ordinance:

None.

Attached Budget reads as follows:

Exhibit A
Budget

	Special Service Area #	73
SSA Name:	Chinatown	

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)	2025 Levy: Collectable Levy	2025 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #0032	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction	$10,000	$0	$0	$0	$0	$10,000
2.00 Public Way Aesthetics	$16,000	$0	$0	$0	$0	$16,000
3.00 Sustainability and Public Places	$40,000	$0	$0	$0	$0	$40,000
4.00 Economic/ Business Development	$10,000	$0	$10,000	$0	$0	$20,000
5.00 Public Health and Safety Programs	$200	$0	$0	$0	$0	$200
6.00 SSA Management	$8,500	$0	$0	$0	$0	$8,500
7.00 Personnel	$18,590	$0		$0	$0	$18,590
Sub-total	$103,290	$0				
GRAND TOTALS Levy Total	$103,290		$10,000	$0	$0	$113,290

LEVY ANALYSIS	
Estimated 2025 EAV:	$62,609,135
Authorized Tax Rate Cap:	0.800%
Maximum Potential Levy limited by Rate Cap:	$500,873
Requested 2025 Levy Amount:	$103,290
Estimated Tax Rate to Generate 2025 Levy:	0.1650%

IMPOSITION OF YEAR 2025 TAX LEVY, APPROVAL OF YEAR 2026 BUDGET AND EXECUTION OF SERVICE PROVIDER AGREEMENT FOR SPECIAL SERVICE AREA NO. 79 (LAWRENCE/PULASKI/ELSTON).

[O2025-0019789]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance for a scope of services, budget and management agreement for Special Service Area Number 79, Lawrence/Pulaski/Elston (O2025-0019789), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, Special service areas may be established pursuant to: (i) Article VII, Sections 6(l) and 7(6) of the Constitution of the State of Illinois; (ii) the provisions of the Special Service Area Tax Law, 35 ILCS 200/27-5, et seq., as amended from time to time (the "Act"); and (iii) the Property Tax Code, 35 ILCS 200/1-1, et seq., as amended from time to time; and

WHEREAS, The City Council (the "City Council") of the City of Chicago (the "City") has previously enacted a certain ordinance on the date specified on Exhibit A attached hereto and hereby made a part hereof and published in the *Journal of the Proceedings of the City Council of the City of Chicago* (the "*Journal*") for such date at the pages specified on Exhibit A hereto, and amended on the date(s) specified on Exhibit A hereto and published in the *Journal* for such date(s) as specified on Exhibit A hereto (as amended from time to time, the "Establishment Ordinance") which established a certain special service area as indicated therein and as identified on Exhibit A hereto (the "Area") and authorized the levy of certain annual taxes, not to exceed the annual rate (the "Levy Cap") indicated therein and as described on Exhibit A hereto, of the equalized assessed value of the taxable property therein (the "Services Tax") to provide certain special services in and for the Area in addition to the services provided by and to the City generally as specified in the Establishment Ordinance (the "Special Services"); and

WHEREAS, The Establishment Ordinance provided for the appointment of a certain special service area commission for the Area (the "Commission") to advise the City Council regarding the amount of the Services Tax for the Area to be levied and for the purpose of recommending to the City Council for the Area: (i) a yearly budget based upon the costs of providing the Special Services; (ii) an entity to serve as service provider (the "Service Provider"); (iii) an agreement between the City and the Service Provider for the provision of Special Services to the Area (the "Service Provider Agreement"); and (iv) a budget to be included in the Service Provider Agreement (the "Budget") (the aforementioned items (i) through (iv) shall be known collectively herein as the "Recommendations"); and

WHEREAS, The Commission identified on Exhibit A hereto has heretofore prepared and transmitted to the Commissioner of Planning and Development (the "Commissioner") their Recommendations to the City Council, including the Budget attached hereto as Exhibit A; now, therefore,

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

SECTION 1. Incorporation Of Preambles. The preambles of this ordinance are hereby incorporated into this text as if set out herein in full.

SECTION 2. Appropriations. There is hereby appropriated the sum in the amount and for the purposes necessary to provide the Special Services in and for the Area, the estimated amount of miscellaneous income and the amount required to be raised by the levy of the Services Tax indicated on Exhibit A hereto: Collectable Levy, Estimated Loss Collection, Carryover Funds, TIF Rebate Fund, and Estimated Late Collections and Interest.

SECTION 3. Levy Of Taxes. There is hereby levied pursuant to the provisions of: (i) Article VII, Sections 6(a) and 6(l)(2) of the Constitution of the State of Illinois; (ii) the Act; and (iii) the Establishment Ordinance, the sum of the "Total Requested Levy" indicated on Exhibit A hereto as the amount of the Services Tax for the Area for the tax year 2025.

SECTION 4. Filing. The City Clerk of the City (the "City Clerk") is hereby ordered and directed to file in the Office of the County Clerk of Cook County, Illinois (the "County Clerk") a certified copy of this ordinance on or prior to December 30, 2025, and the County Clerk shall thereafter extend for collection together with all other taxes to be levied by the City, the Services Tax herein provided for, said Services Tax to be extended for collection by the County Clerk for the tax year 2025 against all the taxable property within the Area, the amount of the Services Tax herein levied to be in addition to and in excess of all other taxes to be levied and extended against all taxable property within the Area.

SECTION 5. Service Provider Agreement. The Commissioner, or a designee of the Commissioner (each, an "Authorized Officer"), are each hereby authorized, subject to approval by the Corporation Counsel as to form and legality, to enter into, execute and deliver a Service Provider Agreement as authorized herein with the entity indicated on Exhibit A hereto as the Service Provider, for a one-year term in form acceptable to such Authorized Officer, along with such other supporting documents, if any, as may be necessary to carry out and comply with the provisions of the Service Provider Agreement. The Budget shall be attached to the Service Provider Agreement as an exhibit. Upon the execution of the Service Provider Agreement and the receipt of proper documentation, the Authorized Officer and the City Comptroller are each hereby authorized to disburse the sum appropriated pursuant to Section 2 above to the Service Provider in consideration for the provision of the Special Services described in the Budget. The Department of Planning and Development shall promptly make a copy of the executed Service Provider Agreement (and any amendments thereto) readily available for public inspection. The Authorized Officer is also authorized to sign amendments to the Service Provider Agreement entered into pursuant to this Section 5 so long as such amendments do not alter the identity of the Service Provider and/or the amounts appropriated and/or levied pursuant to Sections 2 and 3 hereof.

SECTION 6. Enforceability. If any section, paragraph or provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this ordinance.

SECTION 7. Conflict. This ordinance shall control over any provision of any other ordinance, resolution, motion or order in conflict with this ordinance, to the extent of such conflict.

SECTION 8. Publication. This ordinance shall be published by the City Clerk, in special pamphlet form, and made available in her office for public inspection and distribution to members of the public who may wish to avail themselves of a copy of this ordinance.

SECTION 9. Effective Date. This ordinance shall take effect 10 days after its passage and publication.

Exhibit "A" referred to in this ordinance reads as follows:

Exhibit "A".

Special Service Area No. 79.

Area	Levy Cap	Total Requested Levy	Commission	Service Provider
79	1.50 percent	$339,300	Lawrence/Pulaski/ Elston Special Service Area Commission	Pulaski Elston Business Association, Inc.

Establishment Ordinance:

Date: December 15, 2021
Journal pages: pages 42332 -- 42353.

Amendment(s) to Establishment Ordinance:

None.

Attached Budget reads as follows:

Exhibit A
Budget

Special Service Area #	79
SSA Name:	Lawrence/Pulaski/Elston

2026 BUDGET SUMMARY

Budget and Services Period: January 1, 2026 through December 31, 2026

CATEGORY (Funded Categories Comprise Scope of Services)	2025 Levy: Collectable Levy	2025 Levy: Estimated Loss Collection	Carryover Funds	TIF Rebate Fund #0D41	Estimated Late Collections and Interest	Total All Sources
1.00 Customer Attraction	$59,200	$0	$0	$0	$0	$59,200
2.00 Public Way Aesthetics	$174,700	$0	$20,000	$0	$10,525	$205,225
3.00 Sustainability and Public Places	$0	$0	$0	$0	$0	$0
4.00 Economic/ Business Development	$3,000	$0	$0	$0	$0	$3,000
5.00 Public Health and Safety Programs	$1,000	$0	$0	$0	$0	$1,000
6.00 SSA Management	$13,400	$0	$0	$0	$0	$13,400
7.00 Personnel	$88,000	$0		$0	$0	$88,000
Sub-total	$339,300	$0				
GRAND TOTALS Levy Total	$339,300		$20,000	$0	$10,525	$369,825

LEVY ANALYSIS	
Estimated 2025 EAV	$63,778,189
Authorized Tax Rate Cap.	1.500%
Maximum Potential Levy limited by Rate Cap	$956,673
Requested 2025 Levy Amount	$339,300
Estimated Tax Rate to Generate 2025 Levy	0.5320%

SUPPORT OF CLASS 6(b) TAX INCENTIVE REDEVELOPMENT AGREEMENT WITH PICTOR 4435 S WESTERN BOULEVARD LLC FOR PROPERTY AT 4435 S. WESTERN BLVD.

[O2025-0019967]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance in support of Class 6(b) tax inventive for property at 4435 South Western Boulevard, and accompanying redevelopment agreement (O2025-0019967), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with not dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes; and

WHEREAS, The City consistent with the County Ordinance, wishes to induce industry to locate and expand in the City by supporting financial incentives in the form of property tax relief; and

WHEREAS, PICTOR 4435 S Western Boulevard LLC, a Delaware limited liability company (the "Applicant"), owns certain real estate located generally at 2248 West 47th Street, 2260 West 47th Street, 4435 South Western Boulevard, and 4443 South Western Boulevard, Chicago, Illinois 60609, as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, The Applicant intends to construct four industrial buildings totaling approximately 568,782 square feet on the Subject Property; and

WHEREAS, Following the demolition of the existing buildings and the construction of four new buildings, the Applicant will file for new addresses and consolidation of the PINs; and

WHEREAS, The redevelopment objective of the City in connection with the Subject Property is to revitalize the Subject Property by demolishing the existing aging industrial buildings and building four new industrial buildings, which will bring new jobs and commerce to the community; and

WHEREAS, It is intended that the Applicant will use the Subject Property for leasing the new buildings to industrial tenants for warehousing, distribution, manufacturing, and/or light assembly; and

WHEREAS, The Applicant has filed an eligibility application for a Class 6(b) tax incentive under the County Ordinance with the Office of the Assessor of Cook County (the "Assessor"); and

WHEREAS, The Subject Property is located within the City of Chicago Enterprise Zone Number 2 (created pursuant to the Illinois Enterprise Zone Act, 20 ILCS 665/1, et seq., as amended, and pursuant to an ordinance enacted by the City Council of the City; as amended), and the purposes of Enterprise Zones are also to provide certain incentives in order to stimulate economic activity and to revitalize depressed areas; and

WHEREAS, It is the responsibility of the Assessor to determine that an application for a Class 6(b) classification or renewal of a Class 6(b) classification is eligible pursuant to the County Ordinance; and

WHEREAS, The County Ordinance requires that, in connection with the filing of a Class 6(b) eligibility application with the Assessor, the. applicant must obtain from the municipality in which such real estate that is proposed for Class 6(b) classification is located an ordinance expressly stating, among other things, that the municipality has determined that the incentive provided by the Class 6(b) classification is necessary for development to. occur on such real estate and that the municipality supports and consents to the Class 6(b) classification by the Assessor; and

WHEREAS, The intended use of the Subject Property will provide significant present and future employment; and

WHEREAS, Notwithstanding the Class 6(b) classification of the Subject Property, the redevelopment and utilization thereof will generate significant new revenues to the City in the form of additional real estate taxes and other tax revenues; now, therefore,

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

SECTION 1. The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2. The City hereby determines that the incentive provided by the Class 6(b) classification is necessary for the development to occur on the Subject Property.

SECTION 3. The City supports and consents to the Class 6(b) classification by the Assessor with respect to the Subject Property.

SECTION 4. The Economic Disclosure Statement, as defined in the County Ordinance, has been received and filed by the City.

SECTION 5. The Clerk of the City of Chicago is authorized to and shall send a certified copy of this ordinance to the Assessor, and a certified copy of this ordinance may be included with the Class 6(b) eligibility application filed with the Assessor by the Applicant, as applicant, in accordance with the County Ordinance.

SECTION 6. The Commissioner of DPD (the "Commissioner'") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver a redevelopment agreement between the Applicant and the City substantially in the form attached hereto as Exhibit B and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

Exhibits "A" and "B" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

Legal Description Of Subject Property.

AS TO TRACT I:

ALL THAT PART OF LAND IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 6 TOWNSHIP 38 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 150 FEET WEST AND 233.33 FEET SOUTH OF THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE IN A NORTHWESTERLY DIRECTION, A DISTANCE OF 68.86 FEET ON A CURVE TO THE NORTHEAST WITH A RADIUS OF 258.5 FEET AND WHOSE CHORD BEARS NORTH 14 DEGREES 11 MINUTES 27 SECONDS WEST, A DISTANCE OF 68.66 FEET TO A POINT ON THE LINE 165 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID WEST 1/2 OF THE SOUTHWEST 1/4; THENCE NORTH ALONG SAID PARALLEL LINE, A DISTANCE OF 640.13 FEET, MORE OR LESS TO A LINE 820.50 FEET SOUTH OF AND PARALLEL WITH THE SOUTH RIGHT-OF-WAY LINE OF 43RD STREET; THENCE EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 15.00 FEET, TO A LINE 150 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID WEST 1/2 OF THE SOUTHWEST 1/4; THENCE SOUTH ALONG SAID PARALLEL LINE, A DISTANCE OF 707.02 FEET, MORE OR LESS TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

AS TO TRACT II:

THE EAST 15 FEET OF THE WEST HALF OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, EXCEPT THE NORTH 33 FEET AND SOUTH 298.84 FEET) IN COOK COUNTY, ILLINOIS.

AS TO TRACT III:

ALL THAT PART OF LAND IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 6 TOWNSHIP 38 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 150 FEET WEST AND 233.33 FEET SOUTH OF THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE IN A NORTHWESTERLY DIRECTION ON A CURVE TO THE NORTHEAST WITH A RADIUS OF 258.5 FEET TO A POINT ON THE NORTH LINE, AND 383.33 FEET WEST OF THE EAST LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE IN A NORTHWESTERLY DIRECTION TO A POINT 3.13 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 AND 248.2 FEET EAST OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE WEST PARALLEL WITH AND 3.13 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 56.9 FEET; THENCE ON A CURVE IN A NORTHWESTERLY DIRECTION CONVEXED TO THE

SOUTHWEST WITH A RADIUS OF 192 FEET TO A POINT 2.45 FEET EAST AND 166.67 FEET NORTH OF THE SOUTHWEST CORNER OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE CONTINUING ON A CURVE AND WITH A RADIUS OF 241.7 FEET TO A POINT ON THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 AND 201 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION; THENCE NORTH ON THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 97.84 FEET; THENCE WEST 15 FEET; THENCE SOUTH PARALLEL WITH AND 15 FEET WEST OF AND MEASURED AT RIGHT ANGLES TO THE EAST LINE OF THE WEST HALF OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, 298.84 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE EAST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, 15 FEET; THENCE SOUTH ALONG THE WEST LINE OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 464.87 FEET; THENCE IN A NORTHEASTERLY DIRECTION TO A POINT 15 FEET EAST AND 364.87 FEET SOUTH OF THE NORTHWEST CORNER OF THE EAST HALF OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE NORTH PARALLEL WITH AND 15 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6 TO A POINT 257.5 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE ON A CURVE CONVEX TO THE NORTH WITH A RADIUS OF 242.5 FEET, MAKING AN ARC OF A SEMI- CIRCLE TO A POINT 257.5 FEET SOUTH AND 165 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE EAST ON A LINE PARALLEL WITH THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6 15 FEET; THENCE NORTH PARALLEL WITH AND 150 FEET EAST OF THE EAST LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6 24.17 FEET TO THE PLACE OF BEGINNING.

EXCEPTING THEREFROM THAT PART BEGINNING AT A POINT ON THE LINE BETWEEN THE EAST 1/2 AND WEST 1/2 OF THE SOUTHWEST 1/4 OF SOUTHWEST 1/4 106.8 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE NORTHWESTWARDLY ON A STRAIGHT LINE TO A POINT 10.8 FEET SOUTH OF THE NORTH LINE AND 155.5 FEET EAST OF THE WEST LINE OF THE EAST 1/2 OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE NORTHWESTWARDLY ON A CURVE TO THE SOUTHWEST WITH A RADIUS OF 230 FEET TO A POINT 52 FEET NORTH OF THE SOUTH LINE AND 35 FEET EAST OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; NORTHWESTWARDLY ON A STRAIGHT LINE TO ITS INTERSECTION WITH AND A LINE 17 FEET EASTERLY OF AND PARALLEL TO THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; SAID POINT OF INTERSECTION BEING 70 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG SAID LINE WHICH IS PARALLEL TO AND 17 FEET EASTERLY OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 37 FEET TO A POINT; THENCE EAST AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, A DISTANCE OF 1.5 FEET; THENCE SOUTH AT RIGHT ANGLES AT THE LAST DESCRIBED LINE, A DISTANCE OF 11.5 FEET; THENCE WEST AT RIGHT ANGLES TO

THE LAST DESCRIBED LINE, A DISTANCE OF 1.5 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 17 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG DESCRIBED PARALLEL LINE A DISTANCE OF 21.5 FEET MORE OR LESS TO ITS INTERSECTION WITH THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 5 TO ITS INTERSECTION WITH THE LINE BETWEEN THE EAST 1/2 AND THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG SAID LAST DESCRIBED LINE, A DISTANCE OF 106.8 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY ILLINOIS.

AND EXCEPT THAT PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4 A DISTANCE OF 15 FEET TO A POINT; THENCE NORTH ON A LINE PARALLEL WITH AND 15 FEET WEST OF THE EAST LINE OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4 A DISTANCE OF 102 FEET TO A POINT; THENCE SOUTHEASTERLY ON A STRAIGHT LINE TO ITS INTERSECTION WITH A LINE 17 FEET EASTERLY OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4, SAID POINT OF INTERSECTION BEING 70 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, THENCE SOUTH ALONG SAID LINE WHICH IS PARALLEL TO AND 17 FEET EASTERLY OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 37 FEET TO A POINT; THENCE EAST AT RIGHT ANGLES TO LAST DESCRIBED LINE A DISTANCE OF 1.5 FEET; THENCE SOUTH AT RIGHT ANGLES TO LAST DESCRIBED LINE A DISTANCE OF 11.5 FEET; THENCE WEST AT RIGHT ANGLES TO LAST DESCRIBED LINE AS DISTANCE OF 1.5 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 17 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 21.5 FEET MORE OR LESS TO ITS INTERSECTION WITH THE SOUTH LINE OF NORTHWEST 1/4 OF THE SOUTHWEST 1/4 THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 17 FEET TO THE POINT OF BEGINNING IN COOK COUNTY, ILLINOIS.

AS TO TRACT IV:

PARCEL 1:

THAT PART OF THE SW 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS, BEING PARTICULARLY DESCRIBED AS:

BEGINNING AT THE SOUTHEAST CORNER OF LOT 4 IN THE SUBDIVISION OF THE

SOUTH 5 ACRES OF SAID SW 1/4 OF SAID SECTION 6, THENCE NORTH ALONG THE EAST LINE OF AFORESAID LOT 4, ON A COARSE OF N.00°00'00"E., 131.42 FT. TO THE NORTHEAST CORNER OF LOT 4; THENCE S.89°20'23"E., 7.84 FT. TO A POINT BEING 150 WEST OF THE EAST LINE OF THE SW 1/4 OF SAID SECTION 6; THENCE N.00°18'54"E., ALONG A LINE 150 WEST OF AND PARALLEL TO THE EAST LINE OF THE SW 1/4 OF SAID SECTION 6, 887.59 FEET TO A POINT OF TANGENCY; THENCE NORTHWESTERLY ALONG A CIRCULAR CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 258.50 FT., A CENTRAL ANGLE OF 15°14'50", AND AN ARC LENGTH OF 68.79 FT. TO A POINT OF NON-TANGENCY; THENCE N00°03'30"E., 661.83 FT. TO A SET IRON PIPE; THENCE S.89°38'12"E., 15.00 FEET TO A SET IRON PIPE ON A LINE 150 FEET WEST OF THE EAST LINE OF THE SW 1/4 OF THE SW 1/4 OF SAID SECTION 6; THENCE N.00°12'46'E, ALONG THE WEST LINE OF THE EAST 150 FEET OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6 TO A POINT 180 FEET SOUTH OF THE NORTH LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, THENCE N.13°15'26"W, 185.51 FEET TO THE NORTH LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, THENCE EAST 92.31 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SPIN RAIL; THENCE SOUTHERLY ALONG A CIRCULAR CURVE, BEING THE WESTERLY LINE OF AN EXISTING SPUR RAIL, CONCAVED SOUTHWESTERLY HAVING A RADIUS 2742 FT. A CENTRAL ANGLE OF 11°14'25", AND AN ARC LENGTH OF 537.92 FT. TO A POINT OF COMMON TANGENCY; THENCE CONTINUING SOUTHERLY ALONG A CIRCULAR CURVE CONCAVE SOUTHWEST HAVING A RADIUS 4499.05 FT., A CENTRAL ANGLE OF 02°32'36" AND AN ARC LENGTH OF 199.71 FT. TO A POINT OF TANGENCY BEING 30.8 FT. WEST OF AND PARALLEL TO THE WEST LINE OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE CONTINUING SOUTH ALONG A LINE 30.8 FT. WEST OF AND PARALLEL TO THE AFORESAID DESCRIBED LINE TO A POINT 640 NORTH OF THE NORTH RIGHT OF WAY LINE (33 FT.) OF 47th STREET; THENCE SOUTH TO POINT ON THE NORTH RIGHT OF WAY LINE (33 FT.) OF 47th STREET, 30.73 FT. WEST OF THE WEST LINE OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE S89°57'12"E, ALONG THE NORTH RIGHT OF WAY LINE OF 47th STREET, 30.73 FEET TO THE WEST LINE OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE S00°17'55"E, ALONG THE WEST LINE OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, 33 FEET TO THE SOUTH LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE N89°54'12"W, ALONG THE SOUTH LINE OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, 158 FEET, THENCE N00°06'00"E, 33 FT. TO THE POINT OF BEGINNING, EXCEPTING THEREFROM THAT PART OF THE NW 1/4 OF THE SW 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, COOK COUNTY, ILLINOIS, BEING PARTICULARLY DESCRIBED AS: CONVEYED TO THE CITY OF CHICAGO BY DEED RECORDED MAY 21, 1992, AS DOCUMENT NUMBER 92355238 AND DESCRIBED AS FOLLOWS: (CR-505A-2) THAT PART OF THE RIGHT OF WAY OF THE CONSOLIDATED RAIL CORPORATION IN THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF THE AFORESAID RAIL CORPORATION (WHICH IS ALSO THE WESTERLY LINE OF THE TRACT OF LAND CONVEYED BY THE PITTSBURGH, CINCINNATI, CHICAGO AND ST. LOUIS RAILWAY COMPANY TO THE CHICAGO AND NORTHERN PACIFIC RAILROAD COMPANY BY QUIT CLAIM DEED DATED APRIL 26, 1892, AND RECORDED SEPTEMBER 12, 1892, AS DOCUMENT

NUMBER 1731751) AND THE SOUTH LINE OF WEST 43RD STREET EXTENDED EAST; THENCE WEST ALONG SAID SOUTH LINE 85.16 FEET TO A POINT OF BEGINNING; THENCE SOUTH ALONG A STRAIGHT LINE DRAWN PERPENDICULAR TO THE LAST DESCRIBED LINE 52.28 FEET; THENCE WEST OF 20 FEET; THENCE NORTH ALONG A STRAIGHT LINE DRAWN PERPENDICULAR TO THE LAST DESCRIBED LINE 59.28 FEET TO A POINT ON THE SOUTH LINE OF AFORESAID WEST 43RD STREET; THENCE EAST ALONG SAID SOUTH LINE 20 FEET TO THE POINT OF BEGINNING.

PARCEL 2:

AN IRREGULAR SHAPED PARCEL OF LAND IN THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, INCLUDING WITHIN THE LIMITS OF SAID PARCEL OF LAND, PARTS OF LOTS 24 AND 27, ALL OF LOTS 25 AND 26 AND THE 8 FOOT WIDE PUBLIC ALLEY LYING NORTH OF AND ADJOINING SAID LOTS IN THE SUBDIVISION OF THAT PART OF THE SOUTH 5 ACRES OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6 LYING WEST OF THE RAILROAD, NORTH OF 47TH STREET AND EAST OF THE BOULEVARD AS RECORDED DECEMBER 5, 1891, UNDER DOCUMENT NUMBER 1579357, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6 WHICH IS 33 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 6 AND IN THE NORTH LINE OF WEST 47TH STREET; THENCE WEST ALONG THE NORTH LINE OF WEST 47TH STREET, A DISTANCE OF 90.00 FEET; THENCE NORTH ON A LINE 90.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6, A DISTANCE OF 587.59 FEET TO A POINT WHICH IS 81.69 FEET SOUTH OF THE SOUTH LINE OF THE NORTH 293.45 FEET OF THE SOUTH 3/4 OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6; THENCE NORTH EASTERLY A DISTANCE OF 84.27 FEET TO A POINT IN THE SOUTH LINE OF THE NORTH 293.45 FEET OF THE SOUTH 3/4 OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6 WHICH IS 68.75 FEET WEST OF THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6; THENCE NORTH EASTERLY A DISTANCE OF 145.73 FEET TO A POINT IN A LINE 32.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6 AND 152.19 FEET SOUTH OF THE NORTH LINE OF THE SOUTH 3/4 OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6; THENCE NORTH EASTERLY AND MAKING AN ANGLE OF 165 DEGREES 25 MINUTES 08 SECONDS (AS MEASURED FROM SOUTH TO EAST TO NORTH EAST) WITH THE AFORESAID PARALLEL LINE, A DISTANCE OF 66.00 FEET; THENCE NORTH EASTERLY A DISTANCE OF 56.29 FEET TO A POINT IN THE SOUTH LINE OF THE NORTH 33.00 FEET OF THE SOUTH 3/4 OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6; THENCE EAST ALONG SAID SOUTH LINE A DISTANCE OF 4.00 FEET TO A POINT IN THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6 (SAID POINT BEING IN A LINE 364.87 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6; THENCE EAST ALONG SAID PARALLEL LINE A DISTANCE OF 15.00 FEET; THENCE SOUTH WESTERLY A DISTANCE OF 101.01

FEET TO A POINT ON THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SECTION 6 (SAID POINT BEING 464.87 FEET SOUTH OF THE NORTH LINE OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6); THENCE SOUTH ALONG THE EAST LINE OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF THE SOUTH WEST 1/4 OF SAID SECTION 6, A DISTANCE OF 829.67 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 3:

PART OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEGINNING AT A POINT ON THE WEST LINE OF THE EAST 1/2 OF SAID SOUTH WEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6 AFORESAID WHICH IS 33 FEET NORTH OF THE SOUTH LINE OF SAID SECTION 6, AND IN THE NORTH LINE OF WEST 47TH STREET; THENCE NORTH ON SAID WEST LINE, 829.50 FEET TO A POINT WHICH IS 464.87 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION; THENCE NORTH EASTERLY TO A POINT IN A LINE PARALLEL WITH AND 15 FEET EAST OF THE WEST LINE AND 364.87 FEET SOUTH OF THE NORTH LINE OF THE EAST 1/2 OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE NORTH ON SAID PARALLEL LINE 107.37 FEET TO A POINT OF CURVE SAID POINT BEING 257.5 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE ALONG A SEMI-CIRCLE CONVEX TO THE NORTH WITH A RADIUS OF 242.5 FEET A DISTANCE OF 761.83 FEET TO A POINT WHICH IS 257.5 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE EAST 14.42 FEET TO A POINT WHICH IS 257.5 FEET SOUTH OF THE NORTH LINE AND 150 FEET WEST OF THE EAST LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE SOUTH A DISTANCE OF 905.61 FEET MORE OR LESS ON A LINE PARALLEL WITH SAID EAST LINE TO THE NORTH LINE OF THE SOUTH 5 ACRES OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION; THENCE WEST 8 FEET TO THE EAST LINE OF LOT 4 IN SUBDIVISION OF THE SOUTH 5 ACRES OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE SOUTH ON THE EAST LINE OF SAID LOT 4, 131 FEET TO THE NORTH LINE OF WEST 47TH STREET, BEING 33 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHWEST 1/4; THENCE WEST ALONG THE NORTH LINE OF WEST 47TH STREET 506.07 FEET MORE OR LESS TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 4:

THOSE PARTS OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 AND OF THE EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SOUTHWEST 1/4 ALL OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 WHICH IS 333.36 FEET NORTH OF THE SOUTHWEST CORNER THEREOF AND RUNNING THENCE EAST PARALLEL WITH THE SOUTH LINE OF THE LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 68.50 FEET; THENCE NORTH PARALLEL WITH SAID WEST LINE OF THE SAID LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 15.18 FEET; THENCE EAST A DISTANCE OF 142.15 FEET TO

A POINT WHICH IS 348.07 FEET NORTH OF THE SOUTH LINE OF THE LAST AFOREMENTIONED EAST 1/2; THENCE SOUTHEASTWARDLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 319.62 FEET AND CONVEX NORTHEASTERLY A DISTANCE OF 206.72 FEET TO A POINT 282.90 FEET NORTH OF SAID SOUTH LINE OF THE LAST AFOREMENTIONED EAST 1/2 AND 262 FEET WEST OF THE EAST LINE OF SAID AFOREMENTIONED EAST 1/2; THENCE SOUTH PARALLEL WITH SAID EAST LINE OF SAID LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 16.33 FEET; THENCE SOUTHEASTWARDLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 239.01 FEET AND CONVEX NORTHEASTERLY A DISTANCE OF 173.84 FEET TO A POINT 121.14 FEET NORTH OF SAID SOUTH LINE OF SAID LAST AFOREMENTIONED EAST 1/2 AND 174.85 FEET WEST OF SAID EAST LINE OF SAID LAST AFOREMENTIONED EAST 1/2; THENCE SOUTHWESTWARDLY A DISTANCE OF 56.72 FEET TO A POINT ON THE WEST LINE OF THE EAST 165 FEET OF SAID LAST AFOREMENTIONED EAST 1/2 WHICH POINT IS 65.35 FEET NORTH OF SAID SOUTH LINE OF SAID LAST AFOREMENTIONED EAST 1/2; THENCE SOUTH ALONG SAID WEST LINE OF THE EAST 165 FEET A DISTANCE OF 65.35 FEET TO SAID SOUTH LINE OF SAID LAST AFOREMENTIONED EAST 1/2 WHICH IS ALSO THE NORTH LINE OF SAID EAST 1/2 OF THE SOUTHWEST 1/4 OF SAID SOUTHWEST 1/4 OF SECTION 6; THENCE EAST ALONG SAID NORTH LINE OF THE LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 15 FEET TO THE WEST LINE OF THE EAST 150 FEET OF SAID LAST AFOREMENTIONED EAST 1/2; THENCE SOUTH ALONG SAID WEST LINE OF THE EAST 150 FEET OF SAID LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 233.33 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 258.50 FEET AND CONVEX NORTHEASTERLY A DISTANCE OF 359.2 FEET TO A POINT ON SAID NORTH LINE OF THE SAID LAST AFOREMENTIONED EAST 1/2 WHICH IS 383.33 FEET WEST OF THE NORTHEAST CORNER OF SAID LAST AFOREMENTIONED EAST 1/2 WHICH IS ALSO THE SOUTHEAST CORNER OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; THENCE WESTWARDLY A DISTANCE OF 33.15 FEET TO A POINT WHICH IS 3.13 FEET NORTH OF THE SOUTH LINE OF SAID LAST AFOREMENTIONED EAST 1/2 AND 248.20 FEET EAST OF THE WEST LINE OF SAID LAST AFOREMENTIONED EAST 1/2; THENCE WEST PARALLEL WITH SAID SOUTH LINE OF SAID LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 52.53 FEET; THENCE NORTH AT 90 DEGREES TO THE LAST DESCRIBED LINE 59.72 FEET; THENCE WEST PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 143.53 FEET TO A POINT ON A CURVED LINE (SAID POINT BEING 62.85 FEET NORTH OF, AS MEASURED ALONG THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, AND PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 52.66 FEET EAST OF SAID WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4); THENCE NORTHWESTWARDLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 192 FEET CONVEX SOUTHWESTERLY A DISTANCE OF 117.45 FEET TO A POINT WHICH IS 2.45 FEET EAST OF SAID WEST LINE OF SAID LAST AFOREMENTIONED EAST 1/2 AND 166.67 FEET NORTH OF SAID SOUTH LINE OF SAID EAST 1/2; THENCE NORTHWESTWARDLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 241.70 FEET AND CONVEX WESTERLY A DISTANCE OF 34.46 FEET TO A POINT ON SAID WEST LINE OF SAID LAST AFOREMENTIONED EAST 1/2 WHICH IS 201 FEET NORTH OF THE SOUTHWEST CORNER THEREOF AND THENCE NORTH ALONG SAID WEST LINE OF SAID LAST AFOREMENTIONED EAST 1/2 A DISTANCE OF 132.36 FEET TO THE POINT OF BEGINNING EXCEPTING FROM THAT

PART OF THE ABOVE DESCRIBED PARCEL WHICH LIES WITHIN SAID EAST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, THE EAST 15 FEET THEREOF, IN COOK COUNTY, ILLINOIS.

PARCEL 5: INTENTIONALLY

OMITTED. PARCEL 6:

PERPETUAL EASEMENT FOR ROADWAY PURPOSES FOR THE USE AND BENEFIT OF PARCEL 4 AS RESERVED IN AND CREATED BY DEEDS RECORDED AS DOCUMENTS 4512051 AND 4513726 AND AS MODIFIED AND GRANTED BY INDENTURE RECORDED AS DOCUMENTS 12796980 AND 15693299, IN COOK COUNTY, ILLINOIS.

PARCEL 7: INTENTIONALLY OMITTED.

PARCEL 8: INTENTIONALLY OMITTED.

PARCEL 9:

THAT PART OF THE SOUTH 493.86 FEET OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS BEGINNING AT A POINT ON THE WEST LINE OF SAID EAST 1/2 WHICH IS 333.36 FEET NORTH OF THE SOUTHWEST CORNER THEREOF, WHICH POINT IS ALSO 994.03 FEET SOUTH OF THE NORTHWEST CORNER THEREOF, AND RUNNING THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 A DISTANCE OF 68.50 FEET; THENCE NORTH PARALLEL WITH SAID WEST LINE OF SAID EAST 1/2, A DISTANCE OF 15.18 FEET; THENCE EAST A DISTANCE OF 142.15 FEET TO A POINT WHICH IS 348.07 FEET NORTH OF SAID SOUTH LINE OF SAID EAST 1/2; THENCE SOUTHEASTERLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 319.62 FEET AND CONVEX NORTHEASTERLY, A DISTANCE OF 206.72 FEET TO A POINT 282.90 FEET NORTH OF SAID SOUTH LINE OF SAID EAST 1/2 AND 262 FEET WEST OF THE EAST LINE OF SAID EAST 1/2; THENCE SOUTH PARALLEL WITH SAID EAST LINE OF THE EAST 1/2, A DISTANCE OF 16.33 FEET; THENCE SOUTHEASTERLY ALONG THE ARC OF A CIRCLE HAVING A RADIUS OF 239.01 FEET AND CONVEX NORTHEASTERLY A DISTANCE OF 173.84 FEET TO A POINT 121.14 FEET NORTH OF SAID SOUTH LINE OF THE EAST 1/2 AND 174.85 FEET WEST OF SAID EAST LINE OF THE EAST 1/2; THENCE SOUTHWESTERLY A DISTANCE OF 56.72 FEET TO A POINT ON THE WEST LINE OF THE EAST 165 FEET OF SAID EAST 1/2 WHICH IS 65.35 FEET NORTH OF THE SOUTH LINE OF THE EAST 1/2; THENCE NORTH ALONG SAID WEST LINE OF THE EAST 165 FEET A DISTANCE OF 428.51 FEET MORE OR LESS TO ITS INTERSECTION WITH A LINE OF 493.86 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHWEST 1/4, WHICH POINT IS ALSO 833.5 FEET SOUTH OF THE NORTH LINE OF SAID NORTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE WEST ALONG SAID LAST DESCRIBED LINE A DISTANCE IN 499.67 FEET MORE OR LESS TO ITS INTERSECTION WITH SAID WEST LINE OF SAID EAST 1/2; AND THENCE SOUTH ALONG SAID WEST LINE OF SAID EAST 1/2 A DISTANCE OF 160.50 FEET MORE OR LESS TO THE POINT OF BEGINNING.

PARCEL 10:

PERPETUAL EASEMENT FOR ROADWAY PURPOSES FOR THE USE AND BENEFIT OF THE ABOVE DESCRIBED PARCEL 9 AS RESERVED IN AND CREATED BY DEEDS RECORDED AS DOCUMENT NOS. 4512051 AND 4513726, AND AS MODIFIED AND GRANTED IN PART THEREOF BY DEED RECORDED AS DOCUMENT 9133317 AND INDENTURE RECORDED AS DOCUMENT 12796980 AND AS CREATED BY INDENTURE RECORDED AS DOCUMENT 15693299.

PARCEL 11: INTENTIONALLY OMITTED.

PARCEL 12:

PERPETUAL EASEMENT FOR THE BENEFIT OF ABOVE DESCRIBED PARCEL 9, OVER, ALONG, THE WEST 17 FEET OF THE NORTH 823.53 FEET OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, FOR A SEWER PIPE AND OTHER UNDERGROUND UTILITIES, AS CREATED BY THE INDENTURES RECORDED AS DOCUMENTS 15693299 AND 15837164.

PARCEL 13:

A PARCEL OF LAND IN THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID EAST 1/2 WHICH IS 833.53 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 6 AND RUNNING THENCE EAST ALONG A LINE PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 TO ITS INTERSECTION WITH A LINE 165 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID EAST 1/2; THENCE NORTH ALONG SAID LAST PARALLEL LINE A DISTANCE OF 10 FEET; THENCE WEST ALONG A LINE PARALLEL TO SAID SOUTH LINE OF SAID EAST 1/2 TO ITS INTERSECTION WITH THE WEST LINE OF SAID EAST 1/2; THENCE SOUTH ALONG SAID WEST LINE OF SAID EAST 1/2 A DISTANCE OF 10 FEET, TO THE POINT OF BEGINNING.

PARCEL 14:

A PARCEL OF LAND IN THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID EAST 1/2 WHICH IS 853.53 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF SAID SECTION 6 AND RUNNING THENCE EAST OR A LINE PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 TO ITS INTERSECTION WITH A LINE 165 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID EAST 1/2, SAID POINT OF INTERSECTION BEING THE POINT OF BEGINNING, THENCE NORTH ALONG SAID LAST PARALLEL LINE, A DISTANCE OF 30 FEET; THENCE EAST ALONG A LINE PARALLEL TO SAID SOUTH LINE OF SAID EAST

1/2, A DISTANCE OF 15 FEET; THENCE SOUTH ALONG A LINE PARALLEL WITH THE EAST LINE OF SAID EAST 1/2 A DISTANCE OF 30 FEET; THENCE WEST ALONG A STRAIGHT LINE TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 15:

THAT PART OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON A LINE 62.85 FEET NORTH OF (AS MEASURED ALONG THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6) AND PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4, 52.68 FEET EAST OF SAID WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 143.53 FEET TO A POINT; THENCE SOUTH AT 90 DEGREES TO LAST DESCRIBED COURSE 59.72 FEET TO A POINT; THENCE WEST 90 DEGREES TO LAST DESCRIBED COURSE 4.37 FEET TO A POINT OF CURVE; THENCE NORTHWESTERLY ALONG A CURVE LINE, CONVEX SOUTHWESTERLY, HAVING A RADIUS OF 192 FEET, AN ARC DISTANCE OF 155.68 FEET TO THE POINT OF BEGINNING; IN COOK COUNTY, ILLINOIS.

PARCEL 16: INTENTIONALLY OMITTED.

PARCEL 17:

PERPETUAL EASEMENT FOR ROADWAY PURPOSES FOR THE USE AND BENEFIT OF PARCELS 15, 21, 22 AND 23 AS RESERVED IN AND CREATED BY DEEDS RECORDED AS DOCUMENT 4512051 AND 4513726 AND AS MODIFIED AND GRANTED BY INDENTURE RECORDED AS DOCUMENTS 12796980 AND 15693299.

PARCEL 18: INTENTIONALLY OMITTED.

PARCEL 19:

PERPETUAL EASEMENT FOR ROADWAY PURPOSES FOR THE USE AND BENEFIT OF PARCELS 15, 21, 22, AND 23 AS CREATED BY TRUSTEE'S DEED RECORDED JANUARY 2, 1974 AS DOCUMENT 22584942.

PARCEL 20:

THAT PART OF THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE LINE BETWEEN THE EAST 1/2 AND THE WEST 1/2 OF THE SOUTHWEST 1/4 OF SOUTHWEST 1/4 106.8 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE NORTHEASTERLY ON A STRAIGHT LINE TO A POINT 10.8 FEET SOUTH OF THE NORTH LINE AND 155.5 FEET EAST OF THE WEST LINE OF THE EAST 1/2 OF SAID SOUTHWEST 1/4 OF THE SOUTHWEST 1/4; THENCE NORTHWESTWARDLY ON A CURVE TO THE SOUTHWEST WITH A RADIUS OF 230

FEET TO A POINT 52 FEET NORTH OF THE SOUTH LINE AND 35 FEET EAST OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6; NORTHWESTWARDLY ON A STRAIGHT LINE TO ITS INTERSECTION WITH A LINE 17 FEET EASTERLY OF AND PARALLEL TO THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, SAID POINT OF INTERSECTION BEING 70 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG SAID LINE WHICH IS PARALLEL TO AND 17 FEET EASTERLY OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 37 FEET TO A POINT; THENCE EAST AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, A DISTANCE OF 1.5 FEET; THENCE SOUTH AT RIGHT ANGLES AT THE LAST DESCRIBED LINE, A DISTANCE OF 11.5 FEET; THENCE WEST AT RIGHT ANGLES TO THE LAST DESCRIBED LINE, A DISTANCE OF 1.5 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 17 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG DESCRIBED PARALLEL LINE, A DISTANCE OF 21.5 FEET MORE OR LESS TO ITS INTERSECTION WITH THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 5 TO ITS INTERSECTION WITH THE LINE BETWEEN THE EAST 1/2 AND THE WEST 1/2 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG SAID LAST DESCRIBED LINE, A DISTANCE OF 106.8 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PARCEL 21:

THAT PART OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN. BOUNDED AND DESCRIBED AS FOLLOWS: BEGINNING AT A POINT 200 FEET EAST OF THE WEST LINE AND 299.03 FEET NORTH OF THE SOUTH LINE OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SOUTHWEST 1/4 OF SAID SECTION 6, SAID POINT BEING ALSO 1029 FEET SOUTH OF THE NORTH LINE OF SAID WEST 1/2 THENCE EASTERLY ALONG A STRAIGHT LINE 1029 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID WEST 1/2, A DISTANCE OF 449.62 FEET MORE OR LESS TO A POINT 15 FEET WEST OF THE EAST LINE AND 298.59 FEET NORTH OF THE SOUTH LINE OF SAID WEST 1/2; THENCE SOUTH ALONG A LINE 15 FEET WEST AND PARALLEL TO THE EAST LINE OF THE WEST 1/2, A DISTANCE OF 265.59 FEET TO ITS INTERSECTION WITH A LINE 33 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID WEST 1/2; THENCE WEST ON THE LAST DESCRIBED LINE, A DISTANCE OF 449.52 FEET MORE OR LESS TO ITS INTERSECTION WITH A LINE 200 FEET EAST OF AND PARALLEL TO THE WEST LINE OF SAID WEST 1/2; THENCE NORTH ALONG THE LAST DESCRIBED LINE, A DISTANCE OF 266.03 FEET TO THE POINT OF BEGINNING; COOK COUNTY, ILLINOIS.

PARCEL 22:

THAT PART OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING AT A POINT OF INTERSECTION OF A LINE 200 FEET EAST OF AND

PARALLEL TO THE WEST LINE OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 AND A LINE 1029 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID WEST 1/2; THENCE EAST ALONG THE LAST DESCRIBED LINE 449.62 FEET MORE OR LESS TO ITS INTERSECTION WITH A LINE 15 FEET WEST OF AND PARALLEL TO THE EAST LINE OF SAID WEST 1/2; THENCE NORTH ALONG THE LAST DESCRIBED LINE 60 FEET; THENCE WEST ON A LINE WHICH IS 969 FEET SOUTH OF AND PARALLEL TO THE NORTH LINE OF SAID WEST 1/2, 449.62 FEET MORE OR LESS TO ITS INTERSECTION WITH A LINE 200 FEET EAST AND PARALLEL WITH THE WEST LINE OF SAID WEST 1/2; THENCE SOUTH ALONG SAID LAST DESCRIBED LINE 60 FEET TO THE POINT OF BEGINNING.

PARCEL 23:

THAT PART OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 6, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4 A DISTANCE OF 15 FEET TO A POINT; THENCE NORTH ON A LINE PARALLEL WITH AND 15 FEET WEST OF THE EAST LINE OF THE WEST 1/2 OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4 A DISTANCE OF 102 FEET TO A POINT; THENCE SOUTHEASTERLY ON A STRAIGHT LINE TO ITS INTERSECTION WITH A LINE 17 FEET EASTERLY OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF SAID SOUTHWEST 1/4, SAID POINT OF INTERSECTION BEING 70 FEET NORTH OF THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, THENCE SOUTH ALONG SAID LINE WHICH IS PARALLEL TO AND 17 FEET EASTERLY OF THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 37 FEET TO A POINT; THENCE EAST AT RIGHT ANGLES TO LAST DESCRIBED LINE A DISTANCE OF 1.5 FEET; THENCE SOUTH AT RIGHT ANGLES TO LAST DESCRIBED LINE A DISTANCE OF 11.5 FEET; THENCE WEST AT RIGHT ANGLES TO LAST DESCRIBED LINE A DISTANCE OF 1.5 FEET TO ITS INTERSECTION WITH A LINE WHICH IS 17 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE EAST 1/2 OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6; THENCE SOUTH ALONG LAST DESCRIBED PARALLEL LINE A DISTANCE OF 21.5 FEET MORE OR LESS TO ITS INTERSECTION WITH THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 THENCE WEST ALONG THE SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 6, A DISTANCE OF 17 FEET TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 24: INTENTIONALLY OMITTED.

Permanent Real Estate Tax Index Numbers (PINS) for the Subject Property:

20-06-300-008

20-06-300-009
20-06-300-010
20-06-300-013
20-06-300-015
20-06-300-016
20-06-300-020
20-06-300-030
20-06-300-031
20-06-302-013
20-06-302-014
20-06-302-017
20-06-302-018
20-06-302-019
20-06-302-020
20-06-302-021
20-06-302-026
20-06-302-027
20-06-501-006

Exhibit "B".
(To Ordinance)

Tax Incentive Classification Redevelopment Agreement.
(PICTOR 4435 S Western Boulevard LLC)

This Tax Incentive Classification Redevelopment Agreement (this "Agreement") is made as of the Agreement Date by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Developer. Capitalized terms not otherwise defined herein shall have the meaning given in the table headed "Project Information" or in Section 2, as applicable.

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PROJECT INFORMATION

Term (Agreement Section where first used)	**Definition**
Agreement Date (preamble)	_____, 2025
Developer (preamble)	PICTOR 4435 S Western Boulevard LLC, a Delaware limited liability company
Project (3.01)	The Developer will demolish the four existing industrial buildings and will construct four new industrial buildings. The improvements will include parking stalls, truck stalls, and truck doors. Following construction and marketing, the Developer will lease out the new buildings to industrial tenants for warehousing, distribution, manufacturing, and/or light assembly.
Ordinance Date (Recitals)	[INSERT]
Commencement Date (3.01)	March 18, 2026
Completion Date (3.01)	May 1, 2027
Facility (3.04)	Four (4) speculative industrial buildings totaling approximately 568,689 square feet located on the Property
Minimum Project Investment (3.04)	$104,441,004, see Project Budget
Certificate Deadline (5.03)	THE DATE 2 YEARS AFTER RDA CLOSING
Notice Addresses (12.14)	If to the Developer: PICTOR 4435 S Western Boulevard LLC, c/o Brookfield Properties, 250 Vesey St, 15 Floor, New York, NY 10281, Attention: Jason Bengert If to the City: City of Chicago, Department of Planning and Development, 121 North LaSalle Street, Room 1000, Chicago, Illinois 60602, Attention: Commissioner; with a copy to City of Chicago, Department of Law, 121 North LaSalle Street, Room 600, Chicago, Illinois 60602, Attention: Finance and Economic Development Division
Tax Incentive (Recitals)	The Class 6b tax incentive granted to the Property under the Cook County Tax Incentive Ordinance and to which the City Council consented pursuant to the ordinance that was adopted on the Ordinance Date.

Signature page to Redevelopment Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Agreement Date.

PICTOR 4435 S WESTERN BOULEVARD LCC,
a Delaware limited liability company

By:_____
Name: Gautam Huded
Title: Executive Vice President

CITY OF CHICAGO

By:_____
Ciere Boatright, Commissioner of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Gautam Huded (the "Representative"), personally known to me to be the Executive Vice President of PICTOR 4435 S Western Boulevard LLC, an Delaware limited liability company ("Developer"), 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 the Representative signed, sealed, and delivered said instrument, pursuant to the authority given to the Representative by Developer, as the Representative's free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Ciere Boatright, personally known to me to be the Commissioner of Planning and Development (the "Commissioner") 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 the Commissioner signed, sealed, and delivered said instrument, pursuant to the authority given to the Commissioner by City, as the Commissioner's free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

SECTION 1. 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. Cook County Authority. The Cook County Board of Commissioners has enacted under Chapter 74, Article II of the Cook County Code of Ordinances, the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Tax Incentive Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes.

C. Municipal Code Requirements. The City is required under Section 2-45-160 of the Municipal Code of the City of Chicago, as amended from time to time (the "Municipal Code"), to enter into a redevelopment agreement with each applicant seeking City approval of a tax incentive classification filed on or after November 1, 2020. The City may seek revocation of certain Cook County tax incentives under Section 2-45-165 of the Municipal Code for various reasons, including the failure of an applicant to comply with the requirements of a redevelopment agreement.

D. City Council Authority. On the Ordinance Date, the City Council of the City (the "City Council") adopted an ordinance consenting to the Developer's application for a Tax Incentive (as defined herein) and authorized the Commissioner of DPD to enter into this Agreement (the "City Ordinance").

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 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the table headed "Project Information", 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.

"Annual Compliance Report" shall mean a signed report from Developer to the City in substantially the form attached as Exhibit D to this Agreement.

"Application" shall mean that certain application that Developer submitted to the City seeking the City's consent to the Tax Incentive.

"Certificate" shall mean the Certificate of Completion of Construction or Rehabilitation.

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

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

"Compliance Period" shall mean that period beginning on the Closing Date and ending upon the expiration of the Term of the Agreement.

"Corporation Counsel" shall mean the City's Department of Law.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form.

"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.

"Event of Default" shall have the meaning set forth in Section 10 hereof.

"Final Project Cost" shall mean the total actual cost of the construction of the Project, as certified to and acceptable to DPD under Section 5.01 hereof.

"Jobs Covenant" shall have the meaning set forth in Section 6.05 hereof.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit B.

"MBE/WBE Program" shall have the meaning set forth in Exhibit E hereof.

"Municipal Code" shall have the meaning set forth in the Recitals.

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

"Occupancy Covenant" shall have the meaning set forth in Section 6.04 hereof.

"Operations Covenant" shall have the meaning set forth in Section 6.03 hereof.

"Project Budget" shall mean the budget showing the total cost of the Project by line item, furnished by Developer to DPD as part of its Application.

"Property" shall mean the real property described on Exhibit A.

"Tenant" shall mean the third party, or such other tenant approved in the sole discretion of the City (with such approval not unreasonably withheld), that enters into a lease with the Developer for the Property after completion of the Project. The City will not withhold consent provided such Tenant shall utilize the premises solely as permitted under the Municipal Code, e.g., warehousing, distribution, manufacturing, and/or light assembly.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending at the end of the last tax year for which the Developer receives the Tax Incentive.

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

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

SECTION 3. THE PROJECT

3.01 Project Completion. With respect to the rehabilitation and construction of the Project, Developer shall: (i) commence construction no later than the Commencement Date, and (ii) complete construction and conduct operations therein no later than the Completion Date.

3.02 Project Budget. Developer has furnished to DPD as part of the Application, and DPD has approved, the Project Budget showing total costs for the Project in an amount not less than the Minimum Project Investment.

3.03 Other Approvals. Developer shall not commence construction of the Project until Developer has obtained all necessary permits and approvals.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD as necessary; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Facility by five percent (5%) or more; (b) a change in the use of the Property or Facility to a use other than the Project; (c) a delay in the completion of the Project by more than one hundred and eighty (180) days; (d) any reduction in the Minimum Project

Investment; or (e) any reduction in the MBE/WBE Budget. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement).

3.05 Signs and Public Relations. At the request of DPD, Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating the City's consent to the Tax Incentive. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

SECTION 4. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

4.01 Project Budget. DPD must have approved the Project Budget, including the Minimum Project Investment, and the MBE/WBE Budget.

4.02 Lease. If applicable, the Developer must have provided the City with a copy of a lease with Tenant evidencing that Tenant has leased the Property for a minimum term extending through the end of the Compliance Period.

4.03 Economic Disclosure Statement. Developer shall provide to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference.

4.04 Construction Compliance Informational Conference. Developer shall provide to the City a copy of the informational conference letter signed by DPD's construction and compliance division.

SECTION 5. COMPLETION OF CONSTRUCTION OR REHABILITATION

5.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Project in accordance with the terms of this Agreement (and any requirements contained in the City Ordinance) and upon the Developer's written request, DPD shall issue to the Developer a Certificate of Completion of Construction or Rehabilitation (the "Certificate") in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. If the Developer has not fulfilled its obligation, DPD will issue a written statement detailing the measures which must be taken in order to obtain them.

DPD may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. DPD shall make its best efforts to respond to Developer's written request for the Certificate within forty-five (45) days by issuing the Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily

completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for the Certificate upon completion of such measures.

The Developer acknowledges and understands that the City will not issue the Certificate, until the following conditions have been met:

- Evidence certified to and acceptable to DPD of the Final Project Cost demonstrating that the Developer has completed the Project in accordance with this Agreement and the Application and that it has made the Minimum Project Investment;
- Receipt of a Certificate of Occupancy or other evidence acceptable to DPD that the developer has complied with building permit requirements for Project;
- Evidence acceptable to DPD that the Project is in compliance with the Operations Covenant and the Occupancy Covenant;
- Evidence acceptable to DPD that the Developer, at its own expense, insured the Property in accordance with Exhibit C hereto, including Accord Form 27 certificates evidencing the required coverages; and
- Evidence acceptable to DPD in the form of a closeout letter from DPD's Compliance and Monitoring division stating that the Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage), as defined in Exhibit E.

5.02 Continuing Obligations. The Certificate relates only to the respective performance of the work associated with the Project improvements. After the issuance of the Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in 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 6.02, 6.03, 6.04, 6.05 and 6.06 as covenants that run with the land will bind any transferee of the Property throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee of this Agreement.

5.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, and/or if the Developer has not received the Certificate by the Certificate Deadline, the Certificate will not be issued, and the City will have the right to pursue any available legal remedies.

5.04 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 6. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

6.01 General. Developer represents, warrants and covenants, as of the date of this Agreement hereunder that:

(a) Developer is a corporation or limited liability company duly incorporated or 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) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its certificate or articles of incorporation or organization, bylaws 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 Developer is now a party or by which Developer is now or may become bound;

(d) except as otherwise provided herein, including without limitation as set forth in Section 6.01 (i), during the Term of the Agreement, the Developer will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein;

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

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

(g) Developer has and shall maintain all government permits, certificates and consents necessary to conduct its business and to construct, complete and operate the Project;

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

(i) Developer shall not, except in the ordinary course of business, do any of the following without the prior written consent of DPD for the Term of the Agreement: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of 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 Developer's financial condition;

(j) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter

into the Agreement or any City Contract with Developer in violation of Chapter 2-156-120 of the Municipal Code;

6.02 Covenant to Redevelop. Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto and all federal, state and local laws, ordinances (including the City Ordinance), rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

6.03 Operations Covenant. The Developer hereby covenants and agrees, throughout the Term of the Agreement, to operate the Project at the Facility, or to cause any Tenant to operate the Project at the Facility, in a manner consistent with the Tax Incentive requirements (the "Operations Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee.

6.04 Occupancy Covenant. The Developer hereby covenants and agrees, throughout the Term of the Agreement, to maintain or to cause the Tenant to maintain, that not less than fifty percent (50%) of the Project shall remain open, occupied, and otherwise open for business (the "Occupancy Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee.

6.05 Jobs Covenant. Not less than 150 full-time equivalent (minimum of 35 hours per week), construction jobs shall be created by Developer within six (6) months of the Commencement Date; and not less than 100 additional full-time equivalent, permanent jobs shall be created by Developer or Tenant within two (2) years of completion of the Project, for a total of 250 full-time equivalent, permanent jobs to be retained or created by Developer or Tenant at the Facility through the Term of the Agreement.

6.06 Annual Compliance Report. Each year throughout the Term of the Agreement, the Developer shall submit to DPD by August 1st the Annual Compliance Report itemizing each of Developer's obligations under this Agreement during the preceding year. If the Annual Compliance Report is not received within this timeframe, the City will notify Developer in writing of such deficiency. Thereafter, Developer shall have ten (10) days to file the Annual Compliance Report with DPD. Developer's failure to timely submit the Annual Compliance Report will constitute an event of default.

6.07 Conflict of Interest. 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 or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the applicable Redevelopment Area.

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

6.09 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit C.

6.10 Compliance with Laws. To the best of 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 (including the City Ordinance), rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, Developer shall provide evidence satisfactory to the City of such compliance.

6.11 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property in the Recorder's Office of Cook County.

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

6.13 Non-Governmental Charges. The Developer agrees to pay or cause to be paid when due any Non-Governmental Charges. The Developer has the right, before any delinquency occurs, to contest any Non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

6.14 Governmental Charges.

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

(b) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

(i) Developer shall demonstrate to DPD's satisfaction that legal proceedings instituted by Developer contesting or objecting to a Governmental Charge shall conclusively

operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(ii) 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.

6.15 Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, 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 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 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 Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

6.16 FOIA and Local Records Act Compliance.

(a) FOIA. The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then the Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that the Developer submits to the City with the Annual Compliance Report or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City,

the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act

SECTION 7. MAINTAINING RECORDS AND RIGHT TO INSPECT

7.01 Books and Records. The Developer, the general contractor and each subcontractor shall keep and maintain books and records that fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto and as otherwise necessary to evidence the Developer's compliance with its obligations under this Agreement, including, but not limited to, payroll records, general contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices and the like. Such books and records shall be available at the applicable party's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense.

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

SECTION 8. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that it has conducted environmental studies sufficient to conclude that the Project may be constructed, completed, and operated in accordance with the requirements of all Environmental Laws and this Agreement. 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 and relating to the Project or the Property.

SECTION 9. INDEMNIFICATION

Developer agrees to indemnify, defend and hold the City, its officers, officials, members, agents and employees harmless from and against any and all losses, costs, damages, liabilities, claims, suits, judgments, demands, actions, causes of action of every kind or nature and expenses (including, without limitation, attorneys' fees and court costs) arising out of or incidental to the failure of Developer to perform its obligations under this Agreement. Upon reasonable notice from the City of any claim which the City believes to be covered hereunder, Developer shall timely appear in and defend all suits brought upon such claim and shall pay all costs and expenses incidental thereto, but the City shall have the right, at its option and at its own expense, to participate in the defense of any suit, without relieving Developer of any of its obligations hereunder. The obligations set forth in this section shall survive any termination or expiration of this Agreement.

SECTION 10. DEFAULT AND REMEDIES

10.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 6 (Covenants, Representations, and Warranties of Developer), shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of Developer to complete the Project in accordance with the terms of this Agreement;

(b) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

(c) the making or furnishing by 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) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, 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;

(e) 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;

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

(g) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the DPD's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement.

10.02 Remedies. Upon the occurrence of an Event of Default, the City may seek revocation of the Tax Incentive pursuant to the County Tax Incentive Ordinance, terminate this Agreement and all related agreements, and/or, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any other available remedy.

10.03 Cure Period. (a) In the event Developer shall fail to perform a monetary covenant which 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 Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

(b) Developer shall be entitled to one 18-month cure period, which can be extended an additional six (6) months in the reasonable discretion of the Commissioner of DPD (for a total of 24 months), commencing on the date of issuance of the Certificate for failure to perform under Section 6.04 (Occupancy Covenant) and Section 6.05 (Jobs Covenant). Any cure period under this Section 10.03(b) shall not count toward the Compliance Period of this Agreement. If one failure to perform under either Section 6.04 or Section 6.05 has occurred and been cured as set forth in this Section 10.03(b), then any subsequent failure to perform under either Section 6.04 or Section 6.05 shall constitute an Event of Default.

(c) In the event Developer shall fail to perform any other non-monetary covenant which 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 Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, 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; provided, further, that there shall be no cure period under this Section 10.03 with respect to Developer's failure to comply with Section 6.03 (Operations Covenant).

SECTION 11. MORTGAGING OF THE PROJECT

If a mortgagee succeeds to Developer's interest in the Property or any portion thereof by exercising remedies under such mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts a written assignment of Developer's interest under this Agreement, the City agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of Developer under this Agreement.

SECTION 12. GENERAL PROVISIONS

12.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 12.01 shall be defined as any deviation from the terms of the Agreement which (i) operates to cancel or otherwise reduce any developmental or construction obligations of Developer by more than ten percent (10%); (ii) materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both; (iii) increases any time agreed for performance by Developer by more than one-hundred and eighty (180) days; (iv) decreases the Minimum Project Investment by five percent (5%) or more; or (v) decreases the MBE/WBE Budget by ten percent (10%) or more.

12.02 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.

12.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

12.04 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.

12.05 No Implied Waivers. No waiver by either party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either party in any case will, of itself, entitle that party to any further notice or demand in similar or other circumstances.

12.06 Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

12.07 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.

12.08 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.

12.09 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.

12.10 Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

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

all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

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

12.13 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, civil unrest which may render the Property or surrounding area unsafe, pandemic, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

12.14. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the Notice Address, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

12.15. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

12.16. Survival of Agreements. All warranties, representations, covenants and agreements of this Agreement shall be true, accurate and complete at the time of the execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and shall be in effect throughout the Term of the Agreement.

12.17. Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.

12.18. Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting

at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

12.19. Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, 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 Developer has locations in the State. The Developer shall also include a provision in its lease with the Tenant that the Tenant also is required to comply with this Section 12.19.

[(Sub)Exhibit "A" referred to in this Tax Incentive Classification Redevelopment Agreement constitutes Exhibit A to ordinance printed on pages 33663 through 33675 of this *Journal*.)

(Sub)Exhibits "B", "C", "D" and "E" referred to in this Tax Incentive Classification Redevelopment Agreement read as follows:

(Sub)Exhibit "B".
(To Tax Incentive Classification Redevelopment Agreement)

MBE/WBE Budget.

Minimum Project Investment:	$104,441,004	
Hard Construction Cost:	48,860,155	
M/WBE Targets		
MBE:	12,703,640	(26 percent)
WBE:	2,931,609	(6 percent)
TOTAL M/WBE BUDGET:	$15,635,250	

(Sub)Exhibit "C".
(To Tax Incentive Classification Redevelopment Agreement)

Insurance Requirements.

Developer shall comply, and require its general contractor and subcontractors to comply, with the City's insurance requirements for the monitoring term. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in the Agreement.

Developer must furnish the Department of Planning and Development with the Certificates of Insurance, or such similar evidence, to be in force on the date of the Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of the Agreement. Developer must submit evidence of insurance prior to closing. Developer shall advise all insurers of the Agreement provisions regarding insurance.

The insurance must provide for 60 days' prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Commercial General Liability Insurance (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence for bodily injury, personal injury, and property damage liability.

Coverage must include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insured, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the work.

Workers' Compensation And Employer's Liability.

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

Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, noncontributory basis.

(Sub)Exhibit "D".
(To Tax Incentive Classification Redevelopment Agreement)

Annual Compliance Report.

PICTOR 4435 S Western Boulevard LLC

Agreement Dated As Of [Insert Date]

[Insert Year] Annual Compliance Report.

Pursuant to Section 6.06 of the above referenced redevelopment agreement ("RDA") and Section 2-45-160 of the Municipal Code, PICTOR 4435 S Western Boulevard LLC ("Developer") is committed to providing an annual compliance report.

1. Obligations under Section 2-145-160 of the Municipal Code from _____, 202__ through July 31, 202__:

(a) An affidavit from the Developer detailing the current status of the Project and certification that it meets any obligations or compliance requirements specified in the ordinance or resolution adopted by the City Council approving the Tax Incentive or in the RDA;

(b) A jobs report providing anonymized information on each employee, including their status as full-time or part-time; the ZIP code of the employee's primary residency; the employee's total employment tenure in months; and a statement of whether the employee's wages are in compliance with the minimum wage as specified by Mayoral Executive Order 2014-1 and the Chicago Minimum Wage rate as specified in Chapter 1-24 of the Municipal Code;

(c) Any reports, affidavits, or other statements required to be filed with Cook County or the Cook County Assessor for the applicable annual period; and

(d) Such other reports as may be specified in the ordinance or resolution adopted by the City approving the Tax Incentive, the RDA, or as may be otherwise agreed to in writing by the Developer in connection therewith.

2. Obligations under the Agreement from _____, 202__ through July 31, 202__:

(a) Itemize each of Developer's obligations under this Agreement during the preceding calendar year:

-- Compliance with the Operations Covenant (Section 6.03) -- Pursuant to Section 6.03 of the RDA, the Project is required to maintain its operations at the Project.

-- Compliance with the Occupancy Covenant (Section 6.04) -- Pursuant to Section 6.04 of the RDA, the Project is required to maintain that not less than fifty percent (50%) of the Project shall remain open, occupied, and otherwise open for business.

-- Compliance with the Jobs Covenant (Section 6.05) -- Pursuant to Section 6.05 of the RDA, the Project is required to create and retain a minimum number of FTE jobs at the Project.

-- Delivery of updated insurance certificate (Section 6.09).

-- Provide evidence of payment of Non-Governmental Charges (Section 6.13).

-- Compliance with all executory provisions of the RDA.

(b) Certify Developer's compliance or noncompliance with such obligations:

-- The Project is in operation.

-- The Property is [Insert Percentage] occupied.

-- The Project has [Insert Number] FTE jobs.

(c) Attach evidence of such compliance or noncompliance.

(d) Certify that Developer is not in default beyond applicable notice and cure period with respect to any provision of the Agreement or any related agreements:

-- Developer hereby certifies that the project is not in default with any provisions of the Agreement.

Attachments.

I certify that the Developer is not in default with respect to any provision of the Redevelopment Agreement, or any related agreements.

PICTOR 4435 S Western Boulevard LLC [Insert Date]

(Sub)Exhibit "E".
(To Tax Incentive Classification Redevelopment Agreement)

Construction Compliance.

Agreements With Contractors.

1. Bid Requirement For General Contractor And Subcontractors. Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, 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, if requested, for its inspection and written approval. (i) Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner.

2. Construction Contract. Prior to the Closing Date, the Developer must provide DPD with a certified copy of the construction contract, together with any modifications, amendments, or supplements thereto, and upon DPD's request, a copy of any subcontracts. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the Project shall be provided to DPD within five (5) business days of the execution thereof.

3. Performance And Payment Bonds. Prior to the commencement of any portion of the Project which includes work on the public way, the Developer must require the General Contractor, or General Contractor's awarded subcontractor, to be bonded for its payment by sureties having an AA rating or better using a bond in a form acceptable to the City. The City shall be named as obligee or co-obligee on any such bonds.

4. Employment Profile. Upon DPD's request, the Developer, the General Contractor, and all subcontractors must submit to DPD statements of their respective employment profiles. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the Construction Hiring Requirements.

5. Other Provisions. In addition to the requirements of Agreements with Contractors, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.05 (Change Orders), (Sub)Exhibit E Construction Hiring Requirements, and Section 9.01 (Books and Records) of the RDA.

Construction Hiring Requirements.

1. Employment Opportunity. The Developer 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 Area; and to provide those 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 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 paragraph, 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 paragraph shall be a basis for the City to pursue its remedies under the Redevelopment Agreement.

2. Prevailing Wage. The Developer, the General Contractor and all subcontractors must pay the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all persons working on the Project. 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 Prevailing Wage.

3. City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents

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

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

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

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

Good faith efforts on the part of the Developer, the General Contractor, and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this paragraph concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this paragraph 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 paragraph. Therefore, in such a case of noncompliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

4. 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 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 paragraph 4, during the course of the Project, at least the following percentages of the MBE/WBE Budget attached hereto as (Sub)Exhibit B (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

i. At least 26 percent by MBEs; and

ii. At least 6 percent by WBEs.

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

(c) Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing an 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 an MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this paragraph 4. 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) Prior to the City's issuance of a Final Certificate, the Developer shall provide to DPD a final report describing its efforts to achieve compliance with this MBE/WBE commitment. Such report 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 has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with the Redevelopment 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 paragraph 4 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

(g) Prior to the commencement of the Project, the Developer, the General Contractor, and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Agreement. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Agreement, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall, upon the request of the monitoring staff of DPD, such interim reports as the monitoring staff may require. 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.

SUPPORT OF CLASS 7(c) TAX INCENTIVE FOR PROPERTY AT 1840 E. 71ST ST.

[O2025-0019963]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance in support of a Class 7(c) tax inventive for the property at 1840 East 71st Street (O2025-0019963), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for commercial purposes; and

WHEREAS, Urban Core, Inc., an Illinois corporation (the "Applicant"), has renovated a single-story, four-unit storefront building generally located at 1840 East 71st Street, Chicago, Illinois 60649, to provide wellness services to the community; and

WHEREAS, The Applicant applied for a Class 7(a) Classification under the County Ordinance with the Office of the Assessor of Cook County, Illinois (the "Assessor"), and in an ordinance (the "7(a) Ordinance") adopted by the City Council of the City of Chicago (the "City Council") on April 16, 2025, and published at pages 26679 to 26711 of the *Journal of the Proceedings of the City Council of the City of Chicago*, the City determined that: (a) the required eligibility factors were present, and (b) the City supported and consented to the Assessor's grant of the Class 7(a) classification; and

WHEREAS, The Applicant has subsequently requested the Assessor to revise its application for a Class 7(a) classification and revert to the original application for a Class 7(c) classification; and

WHEREAS, The 7(a) Ordinance is hereby amended by deleting its entire text, including Exhibit A and Exhibit B, and replacing it with Exhibit One (including (Sub)Exhibit A) attached hereto; now, therefore,

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

SECTION 1. The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2. This ordinance shall be effective from and after its passage and approval.

Exhibit One referred to in this ordinance reads as follows:

Exhibit One.
(To Ordinance)

Whereas, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

Whereas, The Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for commercial purposes; and

Whereas, The City, consistent with the County Ordinance, wishes to induce industry to locate and expand in the City by supporting financial incentives in the form of property tax relief; and

Whereas, Urban Core, Inc., an Illinois corporation (the "Applicant"), has renovated a single-story, four-unit storefront building generally located at 1840 East 71st Street, Chicago, Illinois 60649, as further described on (Sub)Exhibit A attached hereto (the "Project Site"), and intends to lease premises to selected tenants that will provide wellness services to the community (the "Project"); and

Whereas, The City's Department of Planning and Development ("DPD") has determined that the Project Site was last occupied in 2016; and

Whereas, The Project will increase employment opportunities, economic activity in the area and growth in the real property tax base; and

Whereas, The redevelopment objective of the City in connection with the Project Site is to redevelop underutilized properties, attract new businesses and retain and encourage the expansion of existing viable businesses, increase employment opportunities, increase economic activity in the area, and increase growth in the real property tax base; and

Whereas, The Applicant has filed an eligibility application for a Class 7(c) tax incentive under the County Ordinance with the Office of the Assessor of Cook County, Illinois (the "Assessor"); and

Whereas, It is the responsibility of the Assessor to determine that an application for a Class 7(c) classification is eligible pursuant to the County Ordinance; and

Whereas, The County Ordinance provides that, in connection with the filing of a Class 7(c) eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 7(c) designation is located an ordinance or resolution expressly stating that, among other thing: (a) the municipality has determined that eligibility factors of the County Ordinance are present, and (b) the municipality supports and consents to the Class 7(c) application to the Assessor; and

Whereas, DPD has reviewed the proposed Project and has determined that it meets the necessary eligibility requirements for Class 7(c) designation, and recommends to City Council that the City expressly determine, among other things, by ordinance that: (a) the required eligibility factors are present, and (b) the City supports and consents to the Class 7(c) classification by the Assessor of the Project Site; now, therefore,

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

Section 1. The above recitals are hereby expressly incorporated as if fully set forth herein.

Section 2. The City hereby determines that the Project meets eligibility factor (1) under the Classification Ordinance in that real estate taxes for the Project Site for three of the last six years have either declined or remained stagnant due to the depressed condition.

Section 3. The City hereby determines that the Project meets eligibility factor (2) of the County Ordinance in that there is a reasonable expectation that the Project is viable and likely to go forward on a reasonably timely basis if granted Class 7(c) designation and will therefore result in the economic enhancement of the property.

Section 4. The City hereby determines that the Project meets eligibility factor (3) of the County Ordinance in that certification of the Project for Class 7(c) designation will materially assist development, redevelopment or rehabilitation of the property and the Project would not go forward without the full incentive offered under Class 7(c).

Section 5. The City hereby determines that the Project meets eligibility factor (4) of the County Ordinance in that certification of the Project for Class 7(c) designation is reasonably expected to ultimately result in an increase in real property tax revenue and employment opportunities of the property.

Section 6. The City hereby expressly determines that eligibility factors (1) through (4) of the County Ordinance are present for the Project, and hereby expressly supports and consents to the Class 7(c) application of the Applicant to the Assessor for Class 7(c) designation of the Project and the Project Site.

Section 7. The City hereby determines that conditions exist which justify finding that the Project Site is deemed "abandoned" for the purpose of the Class 7(c) designation.

Section 8. The City has received and filed the Applicant's Economic Disclosure Statement, as defined in the County Ordinance.

Section 9. The Commissioner or a designee of the Commissioner are each hereby authorized to deliver a certified copy of this ordinance to the Assessor and to furnish such additional information as may be required in connection with the filing of the application by the Applicant with the Assessor for Class 7(c) designation of the Project.

Section 10. This ordinance shall be effective from and after its passage and approval.

(Sub)Exhibit "A" referred to in this Exhibit One reads as follows:

(Sub)Exhibit "A".
(To Exhibit One)

Legal Description Of The Project Site.

(Subject To Title And Survey)

Parcel 1:

The north 28 feet of Lot 13 and the south 28 feet of Lot 14 in Block 14 in Jackson Park Highlands in Section 24, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook Country, Illinois.

Parcel 2:

Easement for ingress and egress for benefit of Parcel 1. As created by grant from Cosmopolitan National Bank of Chicago, trustee under Trust Number 10360 to Cosmopolitan National Bank of Chicago, trustee under Trust Number 10359, recorded January 27, 1961, as Document Number 18071562 and amended by Document Number 18086620, for the purpose of ingress and egress over the premises described as: the north 13 feet of the south 41 feet of Lot 14 in Block 14 in Jackson Park Highlands

in the east half of the southwest quarter of Section 24, Township 38 North, Range 14, East of the Third Principal Meridian, in Cook Country, Illinois.

Property Address Of Real Estate:

1840 East 71st Street
Chicago, Illinois 60649.

Permanent Tax Identification Number:

20-24-327-028-0000.

SUPPORT OF CLASS 7(d) TAX INCENTIVE FOR PROPERTY AT 5713 W. CHICAGO AVE.

[O2025-0019966]

The Committee on Economic, Capital and Technology Development submitted the following report:

CHICAGO, October 9, 2025.

To the President and Members of the City Council:

Your Committee on Economic, Capital and Technology Development, for which a meeting was held on October 9, 2025, having had under consideration an ordinance in support of a Class 7(d) tax inventive for the property at 5713 West Chicago Avenue, an accompanying redevelopment agreement (O2025-0019966), introduced on September 25, 2025 by the Honorable Brandon Johnson, Mayor, begs leave to recommend that Your Honorable Body *Pass* said proposed ordinance transmitted herewith.

A recommendation of do pass was concurred in by a voice vote of all committee members present, with no dissenting votes.

Respectfully submitted,

(Signed) GILBERT VILLEGAS,
Chair.

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

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said ordinance as passed:

WHEREAS, The City of Chicago (the "City") is a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois authorized to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, The Cook County Board of Commissioners has enacted the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Ordinance"), which provides for, among other things, a real estate tax incentive ("Class 7(d) classification") to owners of real property located within Cook County, Illinois and located in a Food Desert (as defined in the County Ordinance) and used for a qualifying existing Grocery Store (as defined in the County Ordinance), expansion or renovation of an existing Grocery Store, new construction of a Grocery Store or re-use of vacant commercial space for a Grocery Store; and

WHEREAS, WHA SoulCity Corp, an Illinois not-for-profit corporation (the "Property Owner"), owns certain real estate located generally at 5713 West Chicago Avenue, Chicago, Illinois 60651, as further described on Exhibit A hereto (the "Subject Property"); and

WHEREAS, The Subject Property is improved by a vacant commercial building, which Westside Health Authority, an Illinois not-for-profit corporation (the "Prime Lessor") has leased from the Property Owner; and

WHEREAS, The Prime Lessor is rehabilitating and subleasing approximately 9,734 square feet of the Subject Property for use as a Grocery Store operated by Forty Acres Fresh Market LLC, an Illinois limited liability company (the "Grocery Tenant" or "Applicant") and approximately 2,050 square feet for a branch bank operated by PNC Bank, National Association, a national banking association; and

WHEREAS, The Grocery Tenant has provided verification to the City that the Subject Property is in a Food Desert; and

WHEREAS, The Grocery Tenant's intended use of its portion of the Subject Property is as a Grocery Store; and

WHEREAS, The Grocery Tenant has filed an eligibility application for a Class 7(d) tax classification under the County Ordinance with the Office of the Assessor of Cook County (the "Assessor"); and

WHEREAS, It is the responsibility of the Assessor to determine that an application for a Class 7(d) classification or renewal of a Class 7(d) classification is eligible pursuant to the County Ordinance; and

WHEREAS, The County Ordinance requires that, in connection with the filing of a Class 7(d) eligibility application with the Assessor, the applicant must obtain from the municipality in which such real estate that is proposed for Class 7(d) classification is located an ordinance expressly stating, among other things, that the municipality has determined that the incentive provided by the Class 7(d) classification is necessary for the development or Retention (as defined in the County Ordinance) of a Grocery Store located in a Food Desert to occur on such real estate and that the municipality supports and consents to the Class 7(d) application to the Assessor; and

WHEREAS, The intended use of the Subject Property will provide significant present and future employment; and

WHEREAS, Notwithstanding the Class 7(d) classification of the Subject Property, the redevelopment and utilization thereof will generate significant new revenues to the City in the form of additional real estate taxes and other tax revenues; now, therefore,

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

SECTION 1. The above recitals are hereby expressly incorporated as if fully set forth herein.

SECTION 2. The City hereby determines that the incentive provided by the Class 7(d) classification is necessary for the development or Retention of a Grocery Store located in a Food Desert to occur on the Subject Property.

SECTION 3. The City supports and consents to the Class 7(d) classification by the Assessor with respect to the Subject Property.

SECTION 4. The Economic Disclosure Statement, as defined in the County Ordinance, has been received and filed by the City.

SECTION 5. The Clerk of the City of Chicago is authorized to and shall send a certified copy of this ordinance to the Assessor, and a certified copy of this ordinance may be included with the Class 7(d) eligibility application filed with the Assessor by the Applicant, as applicant, in accordance with the County Ordinance.

SECTION 6. The Commissioner of Planning and Development (the "Commissioner") or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel, to negotiate, execute and deliver a redevelopment agreement between the Applicant, the Property Owner, the Prime Lessor, and the City substantially in the form attached hereto as Exhibit B and made a part hereof (the "Redevelopment Agreement"), and such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

SECTION 7. This ordinance shall be effective immediately upon its passage and approval.

Exhibits "A" and "B" referred to in this ordinance read as follows:

Exhibit "A".
(To Ordinance)

Legal Description Of Subject Property:

Lots 1, 2, 3, 4 and the east 10 feet of Lot 5, in Block 10 in Austin's Subdivision of the east half of the northeast quarter of Section 8, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Permanent Real Estate Tax Index Numbers (PINs)
For The Subject Property:

16-08-202-009-0000; and

16-08-202-025-0000.

Exhibit "B".
(To Ordinance)

Tax Incentive Classification Redevelopment Agreement.
(Forty Acres Fresh Market)

This Tax Incentive Classification Redevelopment Agreement (this "Agreement") is made as of the Agreement Date by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), and Developer. Capitalized terms not otherwise defined herein shall have the meaning given in the table headed "Project Information" or in Section 2, as applicable.

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PROJECT INFORMATION

Term (Agreement Section where first used)	**Definition**
Agreement Date (preamble)	[_____], 2025
Developer (preamble)	WHA SoulCity Corp, an Illinois not-for-profit corporation (the "**Property Owner**"); Westside Health Authority, an Illinois not-for-profit corporation (the "**Prime Lessor**"); and Forty Acres Fresh Market LLC, an Illinois limited liability company (the "**Grocery Tenant**").
Project (3.01)	The Property Owner owns the approximately 12,000 square foot vacant commercial building located at 5713 West Chicago Avenue in Chicago, Illinois (as further described in Exhibit A, the "**Property**"). The Prime Lessor will (a) lease the Property from the Property Owner and substantially rehabilitate the Property, and (b) sublease the Property for the following purposes: (1) a full-service grocery store of approximately 9,743 square feet (the "**Grocery Space**"), which will be subleased, occupied, and operated by Grocery Tenant; and (2) an approximately 2,050 square foot bank branch subleased, occupied, and operated by PNC Bank, National Association.
Ordinance Date (Recitals)	[_____]
Commencement Date (3.01)	[_____]
Completion Date (3.01)	[_____]
Facility (3.04)	The approximately 12,000 square foot commercial building located on the Property.
Minimum Project Investment (3.04)	$13,188,156, see Project Budget.
Certificate Deadline (5.03)	[THE DATE 2 YEARS AFTER THE ORDINANCE DATE]
Notice Addresses (12.14)	If to the Developer: **Westside Health Authority** 5053 West Chicago Avenue Chicago, IL 60651 **Attention**: Morris Reed

	With a copy to **Forty Acres Fresh Market LLC** 1510 West Grand Avenue, #2W Chicago IL 60642 **Attention:** Elizabeth Abunaw With a copy to **Schmidt Salzman & Moran, Ltd.** 111 W. Washington Street, Suite 1300 Chicago IL 60602 **Attention:** Dora Cornelio If to the City: **City of Chicago, Department of Planning and Development** 121 North LaSalle Street, Room 1000 Chicago, Illinois 60602 **Attention:** Commissioner with a copy to **City of Chicago, Department of Law** 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 **Attention:** Finance and Economic Development Division
Tax Incentive (Recitals)	The Class 7d tax incentive granted to the Property under the Cook County Tax Incentive Ordinance and to which the City Council consented pursuant to the ordinance that was adopted on the Ordinance Date.

Signature page to Redevelopment Agreement (1 of 4)

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Agreement Date.

WHA SoulCity Corp,
an Illinois not-for-profit corporation

By: _____
Robert Scheid
President

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Robert Scheid**, personally known to me to be the **President of WHA SoulCity Corp**, an Illinois not-for-profit corporation (**"Property Owner"**), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by Property Owner, as his free and voluntary act and as the free and voluntary act of Property Owner, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

Signature page to Redevelopment Agreement (2 of 4)

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Agreement Date.

Westside Health Authority,
an Illinois not-for-profit corporation

By: _____
Morris Reed
Chief Executive Officer

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Morris Reed**, personally known to me to be the **Chief Executive Officer of Westside Health Authority**, an Illinois not-for-profit corporation (**"Prime Lessor"**), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by Prime Lessor, as his free and voluntary act and as the free and voluntary act of Prime Lessor, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

Signature page to Redevelopment Agreement (3 of 4)

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Agreement Date.

Forty Acres Fresh Market LLC,
an Illinois limited liability Company

By: _____
Elizabeth Abunaw
Owner/Operator

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Elizabeth Abunaw**, personally known to me to be the **Owner/Operator of Forty Acres Fresh Market LLC**, an Illinois Limited Liability Company ("**Grocery Tenant**"), 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 Grocery Tenant, as her free and voluntary act and as the free and voluntary act of Grocery Tenant, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

Signature page to Redevelopment Agreement (4 of 4)

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the Agreement Date.

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

By: _____
Ciere Boatright,
Commissioner of Planning and Development

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that **Ciere Boatright**, personally known to me to be the **Commissioner 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 City, as her free and voluntary act and as the free and voluntary act of City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 2025.

_____
Notary Public

My Commission Expires_____

(SEAL)

SECTION 1. 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. Cook County Authority. The Cook County Board of Commissioners has enacted under Chapter 74, Article II of the Cook County Code of Ordinances, the Cook County Tax Incentive Ordinance, Classification System for Assessment, as amended from time to time (the "County Tax Incentive Ordinance"), which provides for, among other things, real estate tax incentives to property owners who build, rehabilitate, enhance and occupy property which is located within Cook County, Illinois and which is used primarily for industrial purposes.

C. Municipal Code Requirements. The City is required under Section 2-45-160 of the Municipal Code of the City of Chicago, as amended from time to time (the "Municipal Code"), to enter into a redevelopment agreement with each applicant seeking City approval of a tax incentive classification filed on or after November 1, 2020. The City may seek revocation of certain Cook County tax incentives under Section 2-45-165 of the Municipal Code for various reasons, including the failure of an applicant to comply with the requirements of a redevelopment agreement.

D. City Council Authority. On the Ordinance Date, the City Council of the City (the "City Council") adopted an ordinance consenting to the Developer's application for a Tax Incentive (as defined herein) and authorized the Commissioner of DPD to enter into this Agreement (the "City Ordinance").

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 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the table headed "Project Information", 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.

"Annual Compliance Report" shall mean a signed report from Developer to the City in substantially the form attached as Exhibit D to this Agreement.

"Application" shall mean that certain application that Developer submitted to the City seeking the City's consent to the Tax Incentive.

"Certificate" shall mean the Certificate of Completion of Construction or Rehabilitation.

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

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

"Compliance Period" shall mean that period beginning on the Closing Date and ending upon the expiration of the Term of the Agreement.

"Corporation Counsel" shall mean the City's Department of Law.

"EDS" shall mean the City's Economic Disclosure Statement and Affidavit, on the City's then-current form.

"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.

"Event of Default" shall have the meaning set forth in Section 10 hereof.

"Final Project Cost" shall mean the total actual cost of the construction of the Project, as certified to and acceptable to DPD under Section 5.01 hereof.

"Grocery Tenant" shall mean Forty Acres Fresh Market LLC, or such other tenant approved in the sole discretion of the City (with such approval not unreasonably withheld), that enters into a lease with the Developer for the portion of the Property being used as a grocery store after completion of the Project.

"Jobs Covenant" shall have the meaning set forth in Section 6.05 hereof.

"Lease" shall mean, individually or collectively, as context may require, (i) the sublease dated on or about the date hereof between Prime Lessor, as landlord, and Grocery Tenant, as tenant, pursuant to which Grocery Tenant shall, among other matters, lease the Grocery Space from Prime Lessor for the operation of a full-service grocery store on the Property; and/or (ii) the lease dated on or about the date hereof between Property Owner, as landlord, and Prime Lessor, as tenant, pursuant to which Prime Lessor shall, among other matters, lease the entire Property from Property Owner for the Project.

"Material Amendment" shall mean an amendment of either Lease the net effect of which is to directly or indirectly do any of the following with respect to the Project: (a) materially reduce, increase, abate or rebate base rent, other amounts deemed rent, operating expense payments, tax payments,

tenant improvement allowances or credits, or other monetary amounts payable (or monetary credits) under the applicable Lease or otherwise confer or take away any material economic benefit, in each case taking into account all direct economic effects under the applicable Lease of the amendment; or (b) shorten the initial term of the applicable Lease or grant additional early termination rights that, if exercised, would shorten the initial term of the applicable Lease.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit B.

"MBE/WBE Program" shall have the meaning set forth in Exhibit E hereof.

"Municipal Code" shall have the meaning set forth in the Recitals.

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

"Occupancy Covenant" shall have the meaning set forth in Section 6.04 hereof.

"Operations Covenant" shall have the meaning set forth in Section 6.03 hereof.

"Prime Lessor" shall mean Westside Health Authority, an Illinois not-for-profit corporation.

"Project Budget" shall mean the budget showing the total cost of the Project by line item, furnished by Developer to DPD as part of its Application.

"Property" shall mean the real property described on Exhibit A.

"Property Owner" shall mean WHA SoulCity Corp, an Illinois not-for-profit corporation.

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending at the end of the last tax year for which the Developer receives the Tax Incentive.

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

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

SECTION 3. THE PROJECT

3.01 Project Completion. With respect to the rehabilitation and construction of the Project, Developer shall: (i) commence construction no later than the Commencement Date, and (ii) complete construction and conduct operations therein no later than the Completion Date.

3.02 Project Budget. Developer has furnished to DPD as part of the Application, and DPD has approved, the Project Budget showing total costs for the Project in an amount not less than the Minimum Project Investment.

3.03 Other Approvals. Developer shall not commence construction of the Project until Developer has obtained all necessary permits and approvals.

3.04 Change Orders. Except as provided below in this Section 3.04, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to DPD as necessary; provided, that any Change Order relating to any of the following must be submitted by Developer to DPD for DPD's prior written approval: (a) a reduction in the gross or net square footage of the Facility by five percent (5%) or more; (b) a change in the use of the Property or Facility to a use other than the Project; (c) a delay in the completion of the Project by more than one hundred and eighty (180) days; (d) any reduction in the Minimum Project Investment; or (e) any reduction in the MBE/WBE Budget. Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by Developer of DPD's written approval (to the extent said City prior approval is required pursuant to the terms of this Agreement).

3.05 Signs and Public Relations. At the request of DPD, Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating the City's consent to the Tax Incentive. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding Developer, the Property and the Project in the City's promotional literature and communications.

SECTION 4. CONDITIONS PRECEDENT

The Developer must satisfy the following conditions before the City will execute and deliver this Agreement, unless such conditions are waived in writing by the City:

4.01 Project Budget. DPD must have approved the Project Budget, including the Minimum Project Investment, and the MBE/WBE Budget.

4.02 Lease. If applicable, the Developer must have provided the City with a copy of a lease with Grocery Tenant evidencing that Grocery Tenant has leased the Property for a minimum term extending through the end of the Compliance Period.

4.03 Economic Disclosure Statement. Developer shall provide to the City an EDS, dated as of the Closing Date, which is incorporated by reference, and Developer further will provide any other affidavits or certifications as may be required by federal, state or local law in the award of public contracts, all of which affidavits or certifications are incorporated by reference.

4.04 Construction Compliance Informational Conference. Developer shall provide to the City a copy of the informational conference letter signed by DPD's construction and compliance division.

SECTION 5. COMPLETION OF CONSTRUCTION OR REHABILITATION

5.01 Certificate of Completion of Construction or Rehabilitation. Upon completion of the Project in accordance with the terms of this Agreement (and any requirements contained in the City Ordinance) and upon the Developer's written request, DPD shall issue to the Developer a Certificate of Completion of Construction or Rehabilitation (the "Certificate") in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. If the Developer has not fulfilled its obligation, DPD will issue a written statement detailing the measures which must be taken in order to obtain them.

DPD may require a single inspection by an inspecting architect hired at the Developer's expense to confirm the completion of the Project. DPD shall make its best efforts to respond to Developer's written request for the Certificate within forty-five (45) days by issuing the Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by Developer in order to obtain the Certificate. Developer may resubmit a written request for the Certificate upon completion of such measures.

The Developer acknowledges and understands that the City will not issue the Certificate, until the following conditions have been met:

- Evidence certified to and acceptable to DPD of the Final Project Cost demonstrating that the Developer has completed the Project in accordance with this Agreement and the Application and that it has made the Minimum Project Investment;
- Receipt of a Certificate of Occupancy or other evidence acceptable to DPD that the developer has complied with building permit requirements for Project;
- Evidence acceptable to DPD that the Project is in compliance with the Operations Covenant and the Occupancy Covenant;
- Evidence acceptable to DPD that the Developer, at its own expense, insured the Property in accordance with Exhibit C hereto, including Accord Form 27 certificates evidencing the required coverages; and
- Evidence acceptable to DPD in the form of a closeout letter from DPD's Compliance and Monitoring division stating that the Developer is in complete compliance with all City Requirements (MBE/WBE, City Residency, and Prevailing Wage), as defined in Exhibit E.

5.02 Continuing Obligations. The Certificate relates only to the respective performance of the work associated with the Project improvements. After the issuance of the Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein unrelated to such work will remain in 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 6.02, 6.03, 6.04, 6.05, 6.06 and 6.17 as covenants that run with the land will bind any transferee of the Property throughout the Term of the Agreement or such shorter period as may be explicitly provided for therein. The other executory terms of this Agreement shall be binding only upon the Developer or a permitted assignee of this Agreement.

5.03 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, and/or if the Developer has not received the Certificate by the Certificate Deadline, the Certificate will not be issued, and the City will have the right to pursue any available legal remedies.

5.04 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 6. COVENANTS/REPRESENTATIONS/WARRANTIES OF DEVELOPER

6.01 General. Developer represents, warrants and covenants, as of the date of this Agreement hereunder that:

(a) Developer is a corporation or limited liability company duly incorporated or 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) Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its certificate or articles of incorporation or organization, bylaws 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 Developer is now a party or by which Developer is now or may become bound;

(d) except as otherwise provided herein, including without limitation as set forth in Section 6.01 (i), during the Term of the Agreement, the Developer will continue to own good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon), or a leasehold interest therein;

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

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

(g) Developer has and shall maintain all government permits, certificates and consents necessary to conduct its business and to construct, complete and operate the Project;

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

(i) Developer shall not, except in the ordinary course of business, do any of the following without the prior written consent of DPD for the Term of the Agreement: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of 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 Developer's financial condition;

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

6.02 Covenant to Redevelop. Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto and all federal, state and local laws, ordinances (including the City Ordinance), rules, regulations, executive orders and codes applicable to the Project, the Property and/or Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

6.03 Operations Covenant. Grocery Tenant hereby covenants and agrees, throughout the Term of the Agreement, to maintain its full-service grocery store operations at the Project (the "Operations Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee; provided, however, that in the event of a default and termination of the Grocery Tenant lease or the foreclosure or deed-in-lieu of foreclosure with respect to a Permitted Lien, this Operations Covenant shall extend to include the operation by any such successor of a full-service grocery store.

6.04 Occupancy Covenant. The Developer hereby covenants and agrees, throughout the Term of the Agreement, to maintain or to cause the Grocery Tenant to maintain, that the Grocery Space shall remain open, occupied, and otherwise open for business during days and hours customary for similar grocery store operations (the "Occupancy Covenant"). The covenants set forth in this Section shall run with the land and be binding upon any transferee; provided, however, that in the event of a default and termination of the Grocery Tenant lease or foreclosure or deed-in-lieu of foreclosure with respect to a Permitted Lien, this occupancy covenant shall extend to include the occupancy by any such successors operating a full-service grocery store in the Grocery Space.

6.05 Jobs Covenant. 195 full-time equivalent (minimum of 35 hours per week), construction

jobs shall be created by Developer within six (6) months of the Commencement Date; and not less than 12 additional full-time equivalent, permanent jobs shall be created by Developer or Grocery Tenant within two (2) years of completion of the Project, for a total of 12 full-time equivalent, permanent jobs to be retained or created by Developer or Grocery Tenant at the Facility through the Term of the Agreement.

6.06 Annual Compliance Report. Each year throughout the Term of the Agreement, the Developer shall submit to DPD by August 1st the Annual Compliance Report itemizing each of Developer's obligations under this Agreement during the preceding year. If the Annual Compliance Report is not received within this timeframe, the City will notify Developer in writing of such deficiency. Thereafter, Developer shall have ten (10) days to file the Annual Compliance Report with DPD. Developer's failure to timely submit the Annual Compliance Report will constitute an event of default.

6.07 Conflict of Interest. 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 or any consultant hired by the City or Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in Developer's business, the Property or any other property in the applicable Redevelopment Area.

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

6.09 Insurance. The Developer shall provide and maintain during the Term of the Agreement, and cause other applicable parties to provide and maintain, the insurance coverages specified in Exhibit C.

6.10 Compliance with Laws. To the best of 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 (including the City Ordinance), rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property. Upon the City's request, Developer shall provide evidence satisfactory to the City of such compliance.

6.11 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property in the Recorder's Office of Cook County.

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

6.13 Non-Governmental Charges. The Developer agrees to pay or cause to be paid when due any Non-Governmental Charges. The Developer has the right, before any delinquency occurs, to contest

any Non-Governmental Charge by appropriate legal proceedings properly and diligently prosecuted, so long as such proceedings serve to prevent any sale or forfeiture of the Property.

6.14 Governmental Charges.

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

(b) Right to Contest. Developer has the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless Developer has given prior written notice to DPD of Developer's intent to contest or object to a Governmental Charge and, unless, at DPD's sole option:

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

(ii) 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.

6.15 Developer's Failure To Pay Or Discharge Lien. If Developer fails to pay any Governmental Charge or to obtain discharge of the same, 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 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 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 Developer fails to pay any

Governmental Charge, the City, in its sole discretion, may require Developer to submit to the City audited Financial Statements at Developer's own expense.

6.16 FOIA and Local Records Act Compliance.

(a) FOIA. The Developer acknowledges that the City is subject to the Illinois Freedom of Information Act, 5 ILCS 140/1 et. seq., as amended ("FOIA"). The FOIA requires the City to produce records (very broadly defined in FOIA) in response to a FOIA request in a very short period of time, unless the records requested are exempt under the FOIA. If the Developer receives a request from the City to produce records within the scope of FOIA, then the Developer covenants to comply with such request within 48 hours of the date of such request. Failure by the Developer to timely comply with such request shall be an Event of Default.

(b) Exempt Information. Documents that the Developer submits to the City with the Annual Compliance Report or otherwise during the Term of the Agreement that contain trade secrets and commercial or financial information may be exempt if disclosure would result in competitive harm. However, for documents submitted by the Developer to be treated as a trade secret or information that would cause competitive harm, FOIA requires that Developer mark any such documents as "proprietary, privileged or confidential." If the Developer marks a document as "proprietary, privileged and confidential", then DPD will evaluate whether such document may be withheld under the FOIA. DPD, in its discretion, will determine whether a document will be exempted from disclosure, and that determination is subject to review by the Illinois Attorney General's Office and/or the courts.

(c) Local Records Act. The Developer acknowledges that the City is subject to the Local Records Act, 50 ILCS 205/1 et. seq, as amended (the "Local Records Act"). The Local Records Act provides that public records may only be disposed of as provided in the Local Records Act. If requested by the City, the Developer covenants to use its best efforts consistently applied to assist the City in its compliance with the Local Records Act.

6.17 Lease Representations, Warranties and Covenants. Developer represents, warrants and covenants as follows:

(a) as of the date hereof, each Lease is valid and binding as to Property Owner and Grocery Tenant or Prime Lessor, as applicable, is in full force and effect, and is either unmodified or modified only by approved Material Amendments and/or amendments that do not constitute Material Amendments;

(b) as of the date hereof, each of Property Owner, Prime Lessor, and Grocery Tenant has performed all of its current obligations under each Lease, as applicable;

(c) Throughout the Term of the Agreement, each of Property Owner, Prime Lessor, and Grocery Tenant: (i) shall deliver to DPD a copy of written notice of any change in circumstances of which it has knowledge that makes the representations and warranties in this Section inaccurate; and (ii) shall comply with its obligations under each Lease, as applicable; and

(d) Throughout the Term of the Agreement, neither Property Owner, Prime Lessor nor Grocery Tenant shall: (i) execute or consent to a Material Amendment; (ii) sell, sublease, release, assign

or otherwise transfer its interest in the Lease, except as contemplated by the Lease and as consistent with the Operating Covenant without the prior written consent of DPD, or (iii) sell, sublease, release, assign or otherwise transfer its interest in the sublease of the Smaller Retail Space to a retail business and operator that is not acceptable to DPD, with such acceptance by DPD to be evidenced in writing.

The covenants set forth in this Section shall run with the land and the leasehold interest and be binding upon any transferee for the Term of the Agreement.

SECTION 7. MAINTAINING RECORDS AND RIGHT TO INSPECT

7.01 Books and Records. The Developer, the general contractor and each subcontractor shall keep and maintain books and records that fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto and as otherwise necessary to evidence the Developer's compliance with its obligations under this Agreement, including, but not limited to, payroll records, general contractor's and subcontractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices and the like. Such books and records shall be available at the applicable party's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense.

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

SECTION 8. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that it has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with the requirements of all Environmental Laws and this Agreement. 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 and relating to the Project or the Property.

SECTION 9. INDEMNIFICATION

Developer agrees to indemnify, defend and hold the City, its officers, officials, members, agents and employees harmless from and against any and all losses, costs, damages, liabilities, claims, suits, judgments, demands, actions, causes of action of every kind or nature and expenses (including, without limitation, attorneys' fees and court costs) arising out of or incidental to the failure of Developer to perform its obligations under this Agreement. Upon reasonable notice from the City of any claim which the City believes to be covered hereunder, Developer shall timely appear in and defend all suits brought upon such claim and shall pay all costs and expenses incidental thereto, but the City shall have the right, at its option and at its own expense, to participate in the defense of any suit, without relieving Developer of any of its obligations hereunder. The obligations set forth in this section shall survive any termination or expiration of this Agreement.

SECTION 10. DEFAULT AND REMEDIES

10.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 6 (Covenants, Representations, and Warranties of Developer), shall constitute an "Event of Default" by the Developer hereunder:

(a) the failure of Developer to complete the Project in accordance with the terms of this Agreement;

(b) the failure of the Developer to comply with any covenant or obligation, or the breach by the Developer of any representation or warranty, under this Agreement or any related agreement;

(c) the making or furnishing by 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) the commencement of any bankruptcy, insolvency, liquidation or reorganization proceedings under any applicable state or federal law, 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;

(e) 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;

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

(g) the dissolution of the Developer or the death of any natural person who owns a 50% or more ownership interest in the Developer, unless, in the case of a death, the Developer establishes to the DPD's satisfaction that such death shall not impair the Developer's ability to perform its executory obligations under this Agreement;

(h) in the event the Grocery Tenant relocates or closes the grocery store located in the Grocery Space without the prior written consent of the City during the Term of the Agreement and the Property Owner and Prime Lessor fail to find a replacement tenant reasonably acceptable to DPD within one hundred and twenty (120) days of such relocation; or

(i) an event of default under either Lease by Property Owner, Prime Lessor or Grocery Tenant that is not cured within the cure period, if any, granted under such Lease, or the Developer's execution of a Material Amendment without the prior written approval of the City under Section 6.17, or

the termination of the Grocery Tenant Lease and the failure of Property Owner and Prime Lessor to find a replacement tenant reasonably acceptable to the City within one hundred and twenty (120) days of such termination.

10.02 Remedies. Upon the occurrence of an Event of Default, the City may seek revocation of the Tax Incentive pursuant to the County Tax Incentive Ordinance, terminate this Agreement and all related agreements, and/or, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any other available remedy.

10.03 Cure Period.

(a) In the event Developer shall fail to perform a monetary covenant which 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 Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

(b) Developer shall be entitled to one 18-month cure period, which can be extended an additional six (6) months in the reasonable discretion of the Commissioner of DPD (for a total of 24 months), commencing on the date of issuance of the Certificate for failure to perform under Section 6.04 (Occupancy Covenant) and Section 6.05 (Jobs Covenant). Any cure period under this Section 10.03(b) shall not count toward the Compliance Period of this Agreement. If one failure to perform under either Section 6.04 or Section 6.05 has occurred and been cured as set forth in this Section 10.03(b), then any subsequent failure to perform under either Section 6.04 or Section 6.05 shall constitute an Event of Default.

(c) In the event Developer shall fail to perform any other non-monetary covenant which 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 Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, 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; provided, further, that there shall be no cure period under this Section 10.03 with respect to Developer's failure to comply with Section 6.03 (Operations Covenant).

SECTION 11. MORTGAGING OF THE PROJECT

If a mortgagee succeeds to Developer's interest in the Property or any portion thereof by exercising remedies under such mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts a written assignment of Developer's interest under this Agreement, the City agrees to attorn to and recognize such party as the successor in interest to Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of Developer under this Agreement.

SECTION 12. GENERAL PROVISIONS

12.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 12.01 shall be defined as any deviation from the terms of the Agreement which (i) operates to cancel or otherwise reduce any developmental or construction obligations of Developer by more than ten percent (10%); (ii) materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both; (iii) increases any time agreed for performance by Developer by more than one-hundred and eighty (180) days; (iv) decreases the Minimum Project Investment by five percent (5%) or more; or (v) decreases the MBE/WBE Budget by ten percent (10%) or more.

12.02 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.

12.03 Limitation of Liability. No member, official or employee of the City shall be personally liable to 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 Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

12.04 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.

12.05 No Implied Waivers. No waiver by either party of any breach of any provision of this Agreement will be a waiver of any continuing or succeeding breach of the breached provision, a waiver of the breached provision itself, or a waiver of any right, power or remedy under this Agreement. No notice to, or demand on, either party in any case will, of itself, entitle that party to any further notice or demand in similar or other circumstances.

12.06 Titles and Headings. Titles and headings to paragraphs contained in this Agreement are for convenience only and are not intended to limit, vary, define or expand the content of this Agreement.

12.07 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.

12.08 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.

12.09 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.

12.10 Governing Law and Venue. This Agreement will be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to the principles of conflicts of law thereof. If there is a lawsuit under this Agreement, each party hereto agrees to submit to the jurisdiction of the courts of Cook County, the State of Illinois.

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

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

12.13 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, civil unrest which may render the Property or surrounding area unsafe, pandemic, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

12.14. Notices. Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the Notice Address, by any of the following means: (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

12.15. Severability. If any provision of this Agreement, or the application thereof, to any person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be

unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein.

12.16. Survival of Agreements. All warranties, representations, covenants and agreements of this Agreement shall be true, accurate and complete at the time of the execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and shall be in effect throughout the Term of the Agreement.

12.17. Exhibits. All of the exhibits attached to this Agreement are incorporated into this Agreement by reference.

12.18. Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

12.19. Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if Developer is required to provide notice under the WARN Act, 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 Developer has locations in the State. The Developer shall also include a provision in its lease with the Grocery Tenant that the Grocery Tenant also is required to comply with this Section 12.19.

[(Sub)Exhibit "A" referred to in this Tax Incentive Classification Redevelopment Agreement constitutes Exhibit "A" to ordinance and printed on page 33713 of this *Journal*.]

(Sub)Exhibits "B", "C", "D" and "E" referred to in this Tax Incentive Classification Redevelopment Agreement read as follows:

(Sub)Exhibit "B".
(To Tax Incentive Classification Redevelopment Agreement)

MBE/WBE Budget.

Minimum Project Investment:	$13,188,156
Hard Construction Costs:	7,949,366
M/WBE Targets:	
MBE	2,134,911 (26 percent)
WBE	492,672 (6 percent)
Total M/WBE Budget:	$ 2,627,583

(Sub)Exhibit "C".
(To Tax Incentive Classification Redevelopment Agreement)

Insurance Requirements.

Developer shall comply, and require its general contractor and subcontractors to comply, with the City's insurance requirements for the monitoring term. All Contractors and subcontractors are subject to the same insurance requirements of Developer unless otherwise specified in the Agreement.

Developer must furnish the Department of Planning and Development with the Certificates of Insurance, or such similar evidence, to be in force on the date of the Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of the Agreement. Developer shall advise all insurers of the Agreement provisions regarding insurance.

The insurance must provide for 60 days' prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Commercial General Liability Insurance (Primary And Umbrella).

Commercial General Liability Insurance or equivalent with limits of not less than $1,000,000 per occurrence for bodily injury, personal injury, and property damage liability.

Coverage must include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insured, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the work.

Workers' Compensation And Employer's Liability.

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

Automobile Liability (Primary And Umbrella).

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the Automobile Liability Insurance with limits of not less than $1,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, noncontributory basis.

(Sub)Exhibit "D".
(To Tax Incentive Classification Redevelopment Agreement)

Annual Compliance Report.

WHA SoulCity Corp
Westside Health Authority
Forty Acres Fresh Market LLC

Agreement Dated As Of [Insert Date]

[Insert Year] Annual Compliance Report.

Pursuant to Section 6.06 of the above referenced redevelopment agreement ("RDA") and Section 2-45-160 of the Municipal Code, _____ ("Developer") is committed to providing an annual compliance report.

1. Obligations under Section 2-45-160 of the Municipal Code from _____, 202__ through July 31, 202__:

(a) An affidavit from the Developer detailing the current status of the Project and certification that it meets any obligations or compliance requirements specified in the ordinance or resolution adopted by the City Council approving the Tax Incentive or in the RDA;

(b) A jobs report providing anonymized information on each employee, including their status as full-time or part-time; the ZIP code of the employee's primary residency; the employee's total employment tenure in months; and a statement of whether the employee's wages are in compliance with the minimum wage as specified by Mayoral Executive Order 2014-1 and the Chicago Minimum Wage rate as specified in Chapter 1-24 of the Municipal Code;

(c) Any reports, affidavits, or other statements required to be filed with Cook County or the Cook County Assessor for the applicable annual period; and

(d) Such other reports as may be specified in the ordinance or resolution adopted by the City approving the Tax Incentive, the RDA, or as may be otherwise agreed to in writing by the Developer in connection therewith.

2. Obligations under the Agreement from _____, 202__ through July 31, 202__:

(a) Itemize each of Developer's obligations under this Agreement during the preceding calendar year:

-- Compliance with the Operations Covenant (Section 6.03) -- Pursuant to Section 6.03 of the RDA, the Project is required to maintain its operations at the Project.

-- Compliance with the Occupancy Covenant (Section 6.04) -- Pursuant to Section 6.04 of the RDA, the Project is required to have one hundred percent (100%) of the Grocery Space remain open, occupied, and otherwise open for business.

-- Compliance with the Jobs Covenant (Section 6.05) -- Pursuant to Section 6.05 of the RDA, the Project is required to create and retain a minimum number of FTE jobs at the Project.

-- Delivery of updated insurance certificate (Section 6.09).

-- Provide evidence of payment of Non-Governmental Charges (Section 6.13).

-- Compliance with all executory provisions of the RDA.

(b) Certify Developer's compliance or noncompliance with such obligations:

-- The Project is in operation.

-- The Property is [Insert Percentage] occupied.

-- The Project has [Insert Number] FTE jobs.

(c) Attach evidence of such compliance or noncompliance.

(d) Certify that Developer is not in default beyond applicable notice and cure period with respect to any provision of the Agreement or any related agreements:

-- Developer hereby certifies that the project is not in default with any provisions of the Agreement.

Attachments.

I certify that the Developer is not in default with respect to any provision of the Redevelopment Agreement, or any related agreements.

Westside Health Authority	[Insert Date]
WHA SoulCity Corp	[Insert Date]
Forty Acres Fresh Market LLC	[Insert Date]

(Sub)Exhibit "E".
(To Tax Incentive Classification Redevelopment Agreement)

Construction Compliance.

Agreements With Contractors.

1. Bid Requirement For General Contractor And Subcontractors. Prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, 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, if requested, for its inspection and written approval. (i) Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner.

2. Construction Contract. Prior to the Closing Date, the Developer must provide DPD with a certified copy of the construction contract, together with any modifications, amendments, or supplements thereto, and upon DPD's request, a copy of any subcontracts. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the Project shall be provided to DPD within five (5) business days of the execution thereof.

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

4. Employment Profile. Upon DPD's request, the Developer, the General Contractor, and all subcontractors must submit to DPD statements of their respective employment profiles. Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the Construction Hiring Requirements.

5. Other Provisions. In addition to the requirements of Agreements with Contractors, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.05 (Change Orders), (Sub)Exhibit E Construction Hiring Requirements, and Section 9.01 (Books and Records) of the RDA.

Construction Hiring Requirements.

1. Employment Opportunity. The Developer 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 Area; and to provide those 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 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 paragraph, 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 paragraph shall be a basis for the City to pursue its remedies under the Redevelopment Agreement.

2. Prevailing Wage. The Developer, the General Contractor and all subcontractors must pay the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all persons working on the Project. 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 Prevailing Wage.

3. City Resident Construction Worker Employment Requirement. The Developer agrees for itself and its successors and assigns, and shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents

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

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

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

The Developer, the General Contractor and each subcontractor shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of DPD in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

Good faith efforts on the part of the Developer, the General Contractor, and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this paragraph concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this paragraph 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 paragraph. Therefore, in such a case of noncompliance, it is agreed that $^{1}/_{20}$ of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

4. 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 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 paragraph 4, during the course of the Project, at least the following percentages of the MBE/WBE Budget attached hereto as (Sub)Exhibit B (as these budgeted amounts may be reduced to reflect decreased actual costs) shall be expended for contract participation by MBEs or WBEs:

i. At least 26 percent by MBEs; and

ii. At least 6 percent by WBEs.

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

(c) Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer's MBE/WBE Commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of: (i) the MBE or WBE participation in such joint venture, or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing an 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 an MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE Commitment as described in this paragraph 4. 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) Prior to the City's issuance of a Final Certificate, the Developer shall provide to DPD a final report describing its efforts to achieve compliance with this MBE/WBE Commitment. Such report 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 has access to the Developer's books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with the Redevelopment 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 paragraph 4 shall be undertaken in accordance with Section 2-92-450, Municipal Code of Chicago.

(g) Prior to the commencement of the Project, the Developer, the General Contractor, and all major subcontractors shall be required to meet with the monitoring staff of DPD with regard to the Developer's compliance with its obligations under this Agreement. During this meeting, the Developer shall demonstrate to DPD its plan to achieve its obligations under this Agreement, the sufficiency of which shall be approved by DPD. During the Project, the Developer shall, upon the request of the monitoring staff of DPD, such interim reports as the monitoring staff may require. 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.

COMMITTEE ON HEALTH AND HUMAN RELATIONS.

APPOINTMENT OF ANGELA J. GREEN AS COMMISSIONER OF CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES.

[A2025-0019856]

The Committee on Health and Human Relations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Health and Human Relations, which convened on October 9, 2025, and to which was referred the following item (A2025-0019856), the appointment of Angela J. Green as the Commissioner of the Chicago Department of Family and Support Services, begs leave to recommend that Your Honorable Body *Approve* the proposed appointment which is transmitted herewith.

This recommendation was concurred in by the same roll call vote as was applied to determine quorum with 13 members present, with no dissenting votes.

Respectfully submitted,

(Signed) ROSSANA RODRÍGUEZ-SÁNCHEZ,
Chair.

On motion of Alderperson Rodríguez-Sánchez, the committee's recommendation was *Concurred In* and the said proposed appointment of Angela J. Green as Commissioner of the Chicago Department of Family and Support Services was *Approved* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

At this point in the proceedings, Alderperson Rodríguez-Sánchez moved to *Suspend the Rules Temporarily* to allow Commissioner Angela J. Green the opportunity to address the body. The motion *Prevailed* by a viva voce vote.

Speaking from the Commissioners' gallery, Commissioner Green extended her gratitude to Mayor Johnson and the members of the City Council for her appointment and conveyed a deep sense of humility and honor in being selected to lead a department with the capacity to positively impact the lives of Chicago's most vulnerable residents. Commissioner Green articulated her vision for the Department of Family and Support Services, describing it as a "beacon of light and a beacon of hope" for individuals and families in need of support -- from early childhood through senior years. The Commissioner also underscored the importance of collaboration with the City Council to help the city navigate ongoing challenges and expressed optimism about the progress that can be achieved through partnership. Commissioner Green then acknowledged the dedication of the Department's 349 staff members, commending their continued efforts to strengthen the city's service delivery system for those who rely on it most.

REGULAR ORDER OF BUSINESS RESUMED.

CALL FOR HEARING(S) ON STRENGTHENING ANIMAL WELFARE SERVICES AND COMMUNITY ENGAGEMENT IN CHICAGO.

[R2025-0018677]

The Committee on Health and Human Relations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Health and Human Relations, which convened on October 9, 2025, and to which was referred a resolution calling for hearings on strengthening animal welfare services and community engagement in Chicago (R2025-0018677), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Adopt* the proposed resolution transmitted herewith.

This recommendation was concurred in by the same roll call vote as was applied to determine quorum with 13 members present, with no dissentions.

Respectfully submitted,

(Signed) ROSSANA RODRÍGUEZ-SÁNCHEZ,
Chair.

On motion of Alderperson Rodríguez-Sánchez, the said proposed resolution transmitted with the foregoing committee report was *Adopted* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

The following is said resolution as adopted:

WHEREAS, The City of Chicago is committed to the health, safety and welfare of all its residents, including companion animals and the broader ecosystem of animal welfare; and

WHEREAS, Chicago Animal Care and Control (CACC) is the City's municipal animal shelter, providing essential services including animal rescue, sheltering, adoption, public safety response and partnerships with animal welfare organizations across the city; and

WHEREAS, The Chicago City Council seeks to uplift the work of CACC, examine resource needs, address operational challenges and build stronger partnerships with community-based organizations, advocates, and residents to ensure compassionate, equitable and accessible animal care services citywide; now, therefore,

Be It Resolved, That we, the members of the Chicago City Council, do hereby call the appropriate representatives from Chicago Animal Care and Control, animal welfare advocacy groups, veterinary partners, and other relevant stakeholders to come before the Committee on Health and Human Relations to provide testimony, share data and offer recommendations for strengthening animal welfare services and community engagement in Chicago.

Do Not Adopt -- EXPRESSION OF SUPPORT FOR PASSAGE OF AMERICAN CENTER FOR CURES LEGISLATION.

[R2024-0011007]

The Committee on Health and Human Relations submitted the following report:

CHICAGO, October 16, 2025.

To the President and Members of the City Council:

Your Committee on Health and Human Relations, which convened on October 9, 2025, and to which was referred a resolution expressing support for the U.S. Congress and President to pass the American Center for Cures legislation (R2024-0011007), having had the same under advisement, begs leave to report and recommend that Your Honorable Body *Do Not Adopt* the proposed resolution transmitted herewith.

This recommendation was concurred in by the same roll call vote as was applied to determine quorum with 13 members present, with no dissentions.

Respectfully submitted,

(Signed) ROSSANA RODRÍGUEZ-SÁNCHEZ,
Chair.

On motion of Alderperson Rodríguez-Sánchez, the committee's recommendation was *Concurred In* by yeas and nays as follows:

Yeas -- Alderpersons La Spata, Hopkins, Dowell, Robinson, Yancy, Hall, Mitchell, Harris, Beale, Chico, Lee, Ramirez, Quinn, Gutiérrez, Lopez, Coleman, Moore, O'Shea, Mosley, Rodríguez, Tabares, Scott, Sigcho-Lopez, Fuentes, Burnett, Ervin, Taliaferro, Cruz, Cardona, Waguespack, Rodríguez-Sánchez, Conway, Quezada, Mitts, Sposato, Nugent, Vasquez, Napolitano, Reilly, Knudsen, Lawson, Gardiner, Clay, Martin, Manaa-Hoppenworth, Hadden, Silverstein -- 47.

Nays -- None.

Alderperson Mitchell moved to reconsider the foregoing vote. The motion was lost.

Said resolution, which failed adoption, reads as follows:

WHEREAS, In an effort to choose unity over division, the City Council of Chicago offers its support for pending Congressional legislation that will create and fund the American Center for Cures; and

WHEREAS, The City of Chicago is providing national leadership in promoting a solution that unites us as one people without regard to race, creed, color or gender; and

WHEREAS, This bipartisan legislation embraced by Democratic and Republican leaders alike will bring all the tools necessary to prevent and cure diseases; full funding, leadership, the power of AI/data, process, accountability and a sense of urgency that will get the job done; and

WHEREAS, The American Center for Cures legislation provides the model and businesslike structure to give hope to all of our citizens that America can work together seamlessly to heal the country physically and spiritually at a time we most need unity and common purpose; and

WHEREAS, The funding will be provided by the legislative passage of the pending bipartisan bill that will provide $750 Billion through the sale of bonds by the United States Government, to address all major diseases; now, therefore,

Be It Resolved, That we must move beyond well-intended events designed to raise awareness (walk-a-thons, 5k runs) and focus on a national mission to cure diseases such as cancers, Alzheimer's, Parkinson's, diabetes, heart disease and COVID; and

Be It Further Resolved, That we encourage all Chicagoans to unite and demand that all members of Congress and the President expedite the passage of the pending American Center for Cures legislation (theamericancenterforcures.org) to promote a thriving and healthy nation.

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on page 33751