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Clerk



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Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	12/14/2011
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Redevelopment agreement with MGM/TGI 105th Street, LLC
Committee(s) Assignment:	Committee on Finance

FW



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

December 14, 2011

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing an amendment to a previously executed redevelopment agreement with MGM/TGI 105th Street, LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

Mayor

**AN ORDINANCE OF THE CITY OF CHICAGO, ILLINOIS
AUTHORIZING AN AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT WITH
MGM/TGI 105TH STREET LLC
AND
ISSUANCE OF A CITY NOTE**

WHEREAS, pursuant to an ordinance adopted by the City Council ("**City Council**") of the City of Chicago (the "**City**") on October 3, 2001 a certain redevelopment plan and project (the "**Original Redevelopment Plan**") for the 105th Street and Vincennes TIF Redevelopment Project Area (the "**Redevelopment Area**") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "**Act**"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on October 3, 2001, the Redevelopment Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance (the "**TIF Ordinance**") adopted by the City Council on October 3, 2001, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Redevelopment Area redevelopment project costs (as defined in the Act) incurred pursuant to the Original Redevelopment Plan; and

WHEREAS, on April 26, 2006, the City Council by ordinance amended the Original Redevelopment Plan to conform the Original Redevelopment Plan to Section 11-74.4-3(n)(3) of the Act, as amended by Public Act 91-478, which became effective November 1, 1999, in accordance with the procedures stated in amended Section 11-74.4-3(n)(3) (the "**Redevelopment Plan Amendment**"), which changed the date for the retirement of obligations and completion of redevelopment projects to December 31, 2025; and

WHEREAS, for purposes of this Ordinance, the definition of "**Redevelopment Plan**" includes: the Original Redevelopment Plan and the Redevelopment Plan Amendment; and

WHEREAS, MGM/TGI 105th Street LLC, an Illinois limited liability company ("**Developer**"), presently owns, or previously owned, real property consisting of approximately 20.4 acres, bounded on the north by 105th Street; on the east by Throop Street; on the south by 107th Street; and on the west by Vincennes Avenue/Rock Island Metra right-of-way (the "**Phase 1 Property**"); and

WHEREAS, within the Phase 1 Property, there are presently three categories of property lots: (1) eighty-three (83) lots currently owned by Developer, including eighty-two (82) lots to be developed with single family homes and one (1) lot (the "**Park Site**") to be developed with a park in accordance with the terms of this Agreement, with such 83 lots being defined as the "**Property**"; (2) eight (8) lots previously improved by Developer with single-family homes and sold by Developer to individuals or families; and (3) eighteen (18) lots previously owned by

Developer that are currently owned by a third-party developer or by individuals and families who have acquired single-family homes constructed thereon; and

WHEREAS, Developer also plans to complete the following infrastructure construction: improvement of Throop Street from 105th Street to 107th Street, the creation of an approximately 2-acre park on the Park Site, and the creation of new interior streets, landscaping, street lighting and sidewalk improvements within the Phase 1 Property (collectively the “**Infrastructure Construction**”); and

WHEREAS, Construction of the eighty-two (82) units and construction of the Infrastructure Construction is defined as the “**Project**”; and

WHEREAS, Developer has proposed to undertake the Project in accordance with the Redevelopment Plan and pursuant to the terms and conditions of a proposed amended and restated redevelopment agreement to be executed by Developer and the City, to be financed in part by the issuance of the City Note (as defined below); and

WHEREAS, in consideration of redevelopment project costs for the Project incurred or to be incurred by or on behalf of Developer, the City agrees to issue, and Developer agrees to acquire, according to certain terms and conditions, the City Note (as defined below) as a tax increment revenue obligation; and

WHEREAS, the City will receive no cash proceeds in exchange for the City Note (as defined below) to be issued pursuant to this Ordinance; and

WHEREAS, Developer and the City entered into a certain Redevelopment Agreement dated as of October 20, 2006 and recorded October 24, 2006 as Document No. 0629731077 by and between the City and Developer (the “**2006 RDA**”), and intend that, simultaneously with the execution of, and pursuant to the terms of, the Amended and Restated Redevelopment Agreement (as defined herein), the 2006 RDA and each and every provision thereof, shall be terminated, ended and no longer of any express or implied force or effect, with all rights and duties of any party to the 2006 RDA and each and every provision thereof being extinguished, and including, but not limited to: (i) the certificate of expenditure issued by the City under the 2006 RDA; and (ii) the promissory note issued by the City under the 2006 RDA, both of which will be tendered back to the City for cancellation on the Closing Date as described in the Amended and Restated Redevelopment Agreement, with no payment of principal or interest due or owing, and with any accrued but unpaid interest cancelled; 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. Developer is hereby designated as the developer for the Project pursuant to Section 5/11-74.4-4 of the Act and Resolution 05-CDC-117 adopted by the Community Development Commission of the City of Chicago on December 13, 2005.

SECTION 3. The Commissioner of the City of Chicago Department of Housing and Economic Development (“**HED**”) (the “**Commissioner**”) or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver an amended and restated redevelopment agreement between Developer and the City in substantially the form attached hereto as Exhibit A and made a part hereof (the “**Amended and Restated Redevelopment Agreement**”), and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the Amended and Restated Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Amended and Restated Redevelopment Agreement and supporting documents.

SECTION 4. The City Council hereby finds that the City is authorized to issue its tax increment allocation revenue obligations in an aggregate amount not to exceed Three Million Two Hundred Thousand Dollars (\$3,200,000) for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 5. There shall be borrowed for and on behalf of the City an aggregate amount not to exceed Three Million Two Hundred Thousand Dollars (\$3,200,000) for the payment of a portion of the eligible costs included within the Project, and a note of the City shall be issued in said amount and designated as the Tax Increment Allocation Revenue Note (MGM/TGI 105th Street LLC Redevelopment Project), Taxable Series A, Registered Number R-1 (the “**City Note**”). The City Note shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein. The City Note shall bear interest at the rates as calculated in the Amended and Restated Redevelopment Agreement computed on the basis of a three hundred sixty (360) day year of twelve 30-day months. Interest on the City Note shall be subject to federal income taxes. The City Note shall be subject to such terms as are set forth in the Amended and Restated Redevelopment Agreement and this Ordinance, subject to such changes and additions as are set forth in a Bond Order of the City executed by the Comptroller and filed with the City Clerk or the Deputy City Clerk at the time of issuance of the City Note. The provisions of the Bond Order shall be subject to the parameters set forth in the Amended and Restated Redevelopment Agreement and this Ordinance. The principal of and interest on the City Note shall be paid by check or draft of the Comptroller of the City, as registrar and paying agent (the “**Registrar**”) (or, at the City's sole election, by wire transfer of funds), payable in lawful money of the United States of America to the person in whose name the City Note is registered at the close of business on the fifteenth (15th) day of the month immediately prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the City Note shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City. The seal of the City shall be affixed to or a facsimile thereof printed on the City Note, and the City Note shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on any the City Note shall cease to be such officer before the delivery of the City Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The City Note shall have thereon a certificate of

authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the City Note, and showing the date of authentication. The City Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Registrar by manual signature, and such certificate of authentication upon the City Note shall be conclusive evidence that the City Note has been authenticated and delivered under this Ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration of the City Note (to the extent such transfer is permitted under the Amended and Restated Redevelopment Agreement) as provided in this Ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the City Note. The Registrar shall maintain a list of the names and addresses of the registered owner (s) from time to time of the City Note and, upon transfer, shall add the name and address of the new registered owner and eliminate the name and address of the transferor. The City is authorized to prepare, and the Registrar shall keep custody of, multiple City Note blanks executed by the City for use in the transfer of the City Note. Upon surrender for transfer of the City Note authorized under this Ordinance at the principal office of the Registrar, duly endorsed by, or accompanied by: (i) a written instrument or instruments of transfer in form satisfactory to the Registrar; (ii) an investment representation in form satisfactory to the City and duly executed by the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Commissioner (or his or her designee) on the instrument of transfer, and (iv) any deliveries required under this Ordinance, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such authorized transferee or transferees, a new fully registered City Note of the same maturity, of authorized denomination, for a like aggregate principal amount. The execution by the City of a fully registered City Note shall constitute full and due authorization of such City Note, and the Registrar shall thereby be authorized to authenticate, date and deliver the City Note, provided, however, that the principal amount of the City Note authenticated by the Registrar shall not exceed the authorized principal amount of the City Note less previous retirements. The Registrar shall not be required to transfer or exchange any City Note during the period beginning at the close of business on the fifteenth (15th) day of the month immediately prior to the maturity date of the City Note nor to transfer or exchange the City Note after notice calling the City Note for redemption has been made, nor during a period of five (5) days next preceding mailing of a notice for redemption of principal of the City Note. No beneficial interests in the City Note shall be assigned, except in accordance with the procedures for transferring the City Note described above or in the City Note. The person or entity in whose name a Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of the City Note shall be made only to the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the City Note to the extent of the sum or sums so paid. No service charge shall be made for any transfer of the City Note, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the City Note.

SECTION 7. The principal of the City Note shall be subject to determination, reduction and prepayment as provided in the form of the City Note attached to the Amended and

Restated Redevelopment Agreement as Exhibit M-1, and as provided in the Amended and Restated Redevelopment Agreement, including without limitation, with respect to the City Note, Section 4.03, thereof. As directed by the Commissioner, the Registrar shall proceed with redemptions without further notice or direction from the City.

SECTION 8. The City Note shall be prepared in substantially the form attached hereto as Exhibit B.

SECTION 9. Pursuant to the Amended and Restated Redevelopment Agreement, Developer has agreed to perform construction and redevelopment work on the Property necessary for the Project. The eligible costs of such construction and redevelopment, including construction and redevelopment occurring prior to the date of this Ordinance, have exceeded Eleven Million Nine Hundred Thousand Dollars (\$11,900,000), however, only Three Million Two Hundred Thousand Dollars (\$3,200,000) of the eligible costs of such construction and redevelopment shall be deemed to be a disbursement of the proceeds of the City Note. The principal amount outstanding of the City Note on its date of issuance shall equal Three Million Two Hundred Thousand Dollars (\$3,200,000), in accordance with a certificate of expenditure for such amount (the "Certificate of Expenditure") executed by the Commissioner (or his or her designee) and authenticated by the Registrar, in accordance with the Amended and Restated Redevelopment Agreement. The Certificate of Expenditure shall not be valid or obligatory under this Ordinance unless or until authenticated by the Registrar by manual signature. The City shall not execute a Certificate of Expenditure in connection with the City Note in a total amount exceeding Three Million Two Hundred Thousand Dollars (\$3,200,000). Upon execution of the Certificate of Expenditure, the Registrar shall promptly send the Certificate of Expenditure to the registered owner and retain a copy with the Register. The Certificate of Expenditure for the City Note shall be in substantially the form attached hereto as Exhibit C.

SECTION 10. The Registrar shall note on the payment schedule attached to the City Note the amount of any payment of principal or interest on the City Note, including the amount of any redemption, and the amount of any reduction in principal pursuant to the Amended and Restated Redevelopment Agreement.

SECTION 11. The City Note hereby authorized shall be executed as provided in this Ordinance and the Amended and Restated Redevelopment Agreement and thereupon be deposited with the Commissioner and by said Commissioner delivered to the Developer.

SECTION 12.

(a) Special Tax Allocation Fund. Pursuant to the TIF Ordinance, the City has created a special fund, designated as the 105th Street and Vincennes Redevelopment Project Area Special Tax Allocation Fund (the "105th Street and Vincennes TIF Fund"). The Comptroller of the City is hereby directed to maintain the 105th Street and Vincennes Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank which is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the TIF Ordinance, all incremental ad valorem taxes received by the City for the Redevelopment Area are to be deposited into the 105th Street and Vincennes TIF Fund.

(b) Developer Account. Pursuant to the 2006 RDA and the ordinance authorizing the 2006 RDA, the City created within the 105th Street and Vincennes TIF Fund a special account known as the MGM/TGI 105th Street LLC Developer Account (the "**MGM/TGI 105th Street LLC Developer Account**"). The City shall promptly designate and deposit into the MGM/TGI 105th Street LLC Developer Account: (i) the incremental taxes defined as the "Available Incremental Taxes" in the Amended and Restated Redevelopment Agreement that have been deposited into the 105th Street and Vincennes TIF Fund after the execution and delivery of the Amended and Restated Redevelopment Agreement; and (ii) the funds to be ported from the 119th Street/I-57 Redevelopment Project Area in accordance with the Amended and Restated Redevelopment Agreement. Incremental Taxes from the 119th Street/I-57 Redevelopment Project Area, subject to the applicable conditions and limits stated in the Amended and Restated Redevelopment Agreement, are pledged as the primary source of funds for payment of principal and interest under the City Note.

(c) Pledge Of MGM/TGI 105th Street LLC Developer Account. The City hereby assigns, pledges and dedicates the MGM/TGI 105th Street LLC Developer Account, together with all amounts on deposit in the MGM/TGI 105th Street LLC Developer Account: (i) to the payment of the City Note, subject to the provisions and limitations of the Amended and Restated Redevelopment Agreement. Any monies on deposit in the MGM/TGI 105th Street LLC Developer Account that are forfeited pursuant to the terms of the Amended and Restated Redevelopment Agreement shall be transferred and deposited in the 105th Street and Vincennes TIF Fund. Upon deposit, the monies on deposit in the MGM/TGI 105th Street LLC Developer Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the 105th Street and Vincennes TIF Fund. All monies on deposit in the MGM/TGI 105th Street LLC Developer Account shall be used to pay the principal of and interest on the City Note, at maturity or upon payment or redemption prior to maturity, in accordance with its terms, which payments from the MGM/TGI 105th Street LLC Developer Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the City Note in accordance with its terms (or the termination of the City's obligation to make such payments), the amounts on deposit in the MGM/TGI 105th Street LLC Developer Account shall be deposited in the 105th Street and Vincennes TIF Fund of the City, and the MGM/TGI 105th Street LLC Developer Account shall be closed.

SECTION 13. The City Note is a special limited obligation of the City, and is payable solely from amounts on deposit in the MGM/TGI 105th Street LLC Developer Account (or such other funds in the 105th Street and Vincennes TIF Fund as the City, in its sole discretion, may determine), and shall be a valid claim of the registered owner thereof only against said sources. The City Note shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owners of the City Note shall not have the right to compel any exercise of the taxing power of the City, the State of Illinois or any political subdivision thereof to pay the principal of or interest on the City Note.

SECTION 14. Monies on deposit in the MGM/TGI 105th Street LLC Developer Account may be invested as allowed under Section 2-32-520 of the Municipal Code of the City

of Chicago (the "**Municipal Code**"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the City Note.

SECTION 15. The provisions of this Ordinance shall constitute a contract between the City and the registered owner(s) of the City Note. All covenants relating to the City Note are enforceable by the registered owner(s) of such City Note.

SECTION 16. The Mayor, the Comptroller, the City Clerk, the Commissioner (or his or her designee), the Corporation Counsel and the other officers and employees 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 17. 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 18. All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict. 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 instrument authorized by this Ordinance or to impair the security for or payment of the instrument authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for violation of any provision of the Municipal Code.

SECTION 19. This ordinance shall be in full force and effect immediately upon its passage.

Attachments:

Exhibit A: Amended and Restated Redevelopment Agreement

Exhibit B: Form of the City Note

Exhibit C: Form of Certificate of Expenditure



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

(This space reserved for Recorder's use only)

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

TAX INCREMENT ALLOCATION REDEVELOPMENT ACT

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

DATED AS OF _____, 2012

BY AND BETWEEN

THE CITY OF CHICAGO

AND

MGM/TGI 105th STREET LLC,
an Illinois limited liability company

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

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**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

LIST OF SCHEDULES AND EXHIBITS

Schedules

Schedule A	Definitions
Schedule B	Insurance Requirements

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

Exhibits

Exhibit A	Redevelopment Area Legal Description
Exhibit B-1	Legal Description of the Phase 1 Property
Exhibit B-2	*Legal Description of the Property
Exhibit B-3	Legal Description of the Dispersed Lots
Exhibit B-4	*Site Plan for the Project
Exhibit B-5	Affordable Sales Prices
Exhibit B-6	Planned Development No. 1008
Exhibit C	Redevelopment Plan
Exhibit D-1	*Project Budget
Exhibit D-2	*Construction (MBE/WBE) Budget
Exhibit E	Schedule of TIF-Funded Improvements
Exhibit F	Reserved
Exhibit G	Construction Contract
Exhibit H	Approved Prior Expenditures
Exhibit I	Permitted Liens
Exhibit J	Form of Opinion of Developer's Counsel
Exhibit K	Park Site Plan
Exhibit L	Form of Payment and Performance Bond
Exhibit M	Form of City Note and Certificate of Expenditure
Exhibit N	City Funds Requisition Form

Exhibit O
Exhibit P

Form of City Subordination Agreement
Form of City Recapture Mortgage

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

This space reserved for Recorder's use only

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
AMENDED AND RESTATED
REDEVELOPMENT AGREEMENT**

This MGM/TGI 105th Street LLC Amended and Restated Redevelopment Agreement (the "**Agreement**") is made as of this ____ day of _____, 2012, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Housing and Economic Development ("**HED**"), and MGM/TGI 105th Street LLC, an Illinois limited liability company ("**Developer**").

RECITALS:

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "**State**"), the City has the power to regulate for the protection of the public health, safety, morals, and welfare of its inhabitants and, pursuant thereto, has the power to encourage private development in order to enhance the local tax base and 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 through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment under the provisions of the Act, the City Council of the City (the "**City Council**") adopted the following ordinances on October 3, 2001: (1) "An Ordinance of the City of Chicago, Illinois Approving a Tax Increment Redevelopment Plan for the 105th Street and Vincennes Avenue Redevelopment Project Area" (the "**Plan Adoption Ordinance**"); (2) "An Ordinance of the City of Chicago, Illinois

Designating the 105th Street and Vincennes Avenue 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 105th Street and Vincennes Avenue Redevelopment Project Area” (the “**TIF Adoption Ordinance**”). Collectively the three ordinances are defined as the “**TIF Ordinances**”. The redevelopment project area (the “**Redevelopment Area**”) is legally described in Exhibit A. The Redevelopment Plan approved by the Plan Adoption Ordinance was amended on April 26, 2006 to provide for changes in the Act concerning the date for the retirement of obligations and the completion of redevelopment projects.

D. The Project:

(i) Developer presently owns, or previously owned, real property consisting of approximately 20.4 acres bounded on the north by 105th Street; on the east by Throop Street; on the south by 107th Street; and on the west by Vincennes Avenue/Rock Island METRA right-of-way (the “**Phase 1 Property**”). A legal description of the Phase 1 Property is attached as Exhibit B-1. The Phase 1 Property is the former Chicago Bridge & Iron Steel Fabricating Plant which had been vacant and unused since 1976.

(ii) Within the Phase 1 Property, there are presently three categories of property lots: (1) those eighty-three (83) lots currently owned by Developer and legally described on Exhibit B-2 (collectively referred to herein as the “**Property**”), including eighty-two (82) lots to be developed with single family homes in accordance with the terms of this Agreement and the one (1) lot to be developed with a park in accordance with the terms of this Agreement (the “**Park Site**”); (2) eight (8) lots previously improved by Developer with single-family homes and sold by Developer to individuals or families; and (3) the eighteen (18) lots legally described on Exhibit B-3 (the “**Dispersed Lots**”) that were previously owned by Developer but are currently owned by a third-party developer and by individuals and families who have acquired single-family homes constructed thereon. As used herein, the term “**Property**”: (i) shall exclude each of the eighty-two (82) lots that has been improved with a single-family home, upon its conveyance to an individual or family, and (ii) also shall exclude the Park Site from and after its conveyance to the Chicago Park District or other grantee approved by the City.

(iii) Developer plans to construct approximately ninety (90) residential for-sale units on the Phase 1 Property, including the eight (8) already constructed and sold units and an additional eighty-two (82) residential for-sale units to be constructed. No fewer than eighteen (18) units to be constructed and sold by Developer within the Phase 1 Property will be affordable housing to households whose incomes are at or below 100% of Area Median Income.

(iv) Developer also plans to complete the following infrastructure construction: improvement of Throop Street from 105th Street to 107th Street, the creation of an approximately 2-acre park on the Park Site, and the creation of new interior streets, landscaping, street lighting and sidewalk improvements within the Phase 1 Property (collectively the “**Infrastructure Construction**”).

(v) Construction of the eighty-two (82) units and construction of the Infrastructure Construction is defined as the “**Project**”. The Site Plan for the Project is attached as Exhibit B-

4. Completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan and Planned Development: The Project will be carried out in accordance with: (i) this Agreement, (ii) the City of Chicago 105th Street and Vincennes Avenue Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project attached as Exhibit C, as amended on April 26, 2006 and as further amended following the date hereof (the "**Redevelopment Plan**"), and (iii) Planned Development No. 1008 approved by the City Council on February 8, 2006, a copy of which is attached as Exhibit B-6, as further amended or administratively adjusted by the City following the date hereof ("**PD 1008**").

F. City Financing and Assistance: Subject to Developer fulfilling those obligations under this Agreement that are the applicable conditions precedent to obligate the City to do so, the City will make a total of \$1.4 million in cash payments on the Closing Date, issue a \$3.2 million taxable note to Developer on the Closing Date, and make no more than \$7.3 million in Pay-As-You Go TIF Payments to Developer to reimburse Developer as provided in this Agreement for the costs of the TIF-Funded Improvements (as defined below) under the terms, and conditions of this Agreement. In addition, the City may, in its discretion, issue tax increment allocation bonds ("**TIF Bonds**") secured by Incremental Taxes (as defined below) as provided in a TIF bond ordinance (the "**TIF Bond Ordinance**"), at a later date as described and conditioned in Section 4.07. The proceeds of the TIF Bonds (the "**TIF Bond Proceeds**") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Incremental Taxes, or in order to reimburse the City for the costs of TIF-Funded Improvements.

NOW, THEREFORE, in consideration of the premises and 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 hereto hereby agree as follows:

AGREEMENT:

ARTICLE ONE: INCORPORATION OF RECITALS

The recitals stated above are an integral part of this Agreement and are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO: DEFINITIONS

The definitions stated in Schedule A and those definitions stated in the recitals and preamble are hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE TWO-A: TERMINATION OF PRIOR AGREEMENT

On the Closing Date, that certain Redevelopment Agreement dated as of October 20, 2006 and recorded October 24, 2006 as Document No. 0629731077 by and between the City and Developer (the "**2006 RDA**"), and each and every provision thereof, shall be terminated, ended and no longer of any express or implied force or effect, with all rights and duties of any party to

the 2006 RDA and each and every provision thereof being extinguished, and including, but not limited to: (i) the certificate of expenditure issued by the City under the 2006 RDA; and (ii) the promissory note issued by the City under the 2006 RDA, both of which will be tendered back to the City for cancellation on the Closing Date of this Agreement, with no payment of principal or interest due or owing, and with any accrued but unpaid interest cancelled; provided, however, that the 2006 RDA Article Thirteen-Indemnification, shall survive this termination of the 2006 RDA. Also on the Closing Date, the parties will cause a release of the 2006 RDA to be recorded in the Office of the Recorder of Deeds of Cook County.

ARTICLE THREE: THE PROJECT

3.01 **The Project.** Developer will: (i) resume redevelopment construction on or about the Closing Date, and (ii) complete redevelopment construction no later than December 31, 2018, subject to: (a) Section 18.17 (Force Majeure); (b) applicable Change Orders, if any, issued under Section 3.04; and (c) the receipt of all applicable permits and Project approvals.

3.02 **Scope Drawings and Plans and Specifications.** Developer has delivered the Scope Drawings and Plans and Specifications to HED, and HED has approved them. Subsequent proposed changes to the Scope Drawings or Plans and Specifications within the scope of Section 3.04 will be submitted to HED as a Change Order under Section 3.04. The Scope Drawings and Plans and Specifications will at all times conform to the Redevelopment Plan as in effect on the date of this Agreement, and to all applicable Federal, State and local laws, ordinances and regulations. Developer will submit all necessary documents to the City's Department of Buildings, Department of Transportation, and to 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 HED, and HED has approved, a Project Budget which is Exhibit D-1, showing total costs for the Project in an amount not less than \$49,616,220. Developer hereby certifies to the City that: (a) it has Lender Financing and/or Equity in an aggregate amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. Developer will promptly deliver to HED copies of any Change Orders with respect to the Project Budget as provided in Section 3.04.

3.04 **Change Orders.**

(a) Except as provided in subparagraph (b) below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to changes to the Project must be submitted by Developer to HED concurrently with the progress reports described in Section 3.07; provided, however, that any Change Orders relating to any of the following must be submitted by Developer to HED for HED's prior written approval: (i) a reduction by more than five percent (5%) in the square footage of the Project from the square footage approved by HED under Section 3.02, or (ii) a change in the primary use of the Project, or (iii) a delay in the Project completion date, or (iv) change orders resulting in an aggregate increase to the Project Budget of 10% or more. Developer will not authorize or permit the performance of any work relating to any Change Order requiring HED's prior written approval or the furnishing of materials in connection therewith prior to the receipt by Developer of HED's

written approval. The Construction Contract, and each contract between the General Contractor and any subcontractor, will contain a provision to this effect or for compliance with this Agreement generally. An approved Change Order will not be deemed to imply any obligation on the part of the City to increase the amount of City Funds or to provide any other additional assistance to Developer.

(b) Notwithstanding anything to the contrary in this Section 3.04, Change Orders other than those stated in subsection (a) above do not require HED's prior written approval as stated in this Section 3.04, but HED must be notified in writing of all such Change Orders within 10 Business Days after the execution of such change order, and Developer, in connection with such notice, must identify to HED the source of funding therefor in the progress reports described in Section 3.07.

3.05 HED Approval. Any approval granted by HED under this Agreement of the Scope Drawings, Plans and Specifications and the Change Orders is for the purposes of this Agreement only, and any such approval does not affect or constitute any approval required by any other City department or under any City ordinance, code, regulation, or any other governmental approval, nor does any such approval by HED under this Agreement constitute approval of the utility, quality, structural soundness, safety, habitability, or investment quality of the Project. Developer will not make any verbal or written representation to anyone to the contrary. Developer shall not undertake construction of the Project unless Developer has obtained all necessary permits and approvals (including but not limited to HED'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.

3.06 Other Approvals. Any HED approval under this Agreement will have no effect upon, nor will it operate as a waiver of, Developer's obligations to comply with the provisions of Section 5.03 (Other Governmental Approvals).

3.07 Progress Reports and Survey Updates. After the Closing Date, on or before the 15th day of each reporting month, Developer will provide HED with written quarterly construction 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 HED's written approval under Section 3.04). Developer must also deliver to the City written monthly progress reports detailing compliance with the requirements of Section 8.08 (Prevailing Wage), Section 10.02 (City Resident Construction Worker Employment Requirement) and Section 10.03 (Developer's MBE/WBE Commitment) (collectively, the "**City Requirements**"). If the reports reflect a shortfall in compliance with the requirements of Sections 8.08, 10.02 and 10.03, then there must also be included a written plan from Developer acceptable to HED to address and cure such shortfall.

3.08 Inspecting Agent or Architect. An independent agent or architect, if any (other than Developer's architect), selected by the lender providing Lender Financing (the "**Lender**"), if any, will also act as the inspecting agent or architect for HED for the Project, and any fees and expenses connected with its work or incurred by such independent agent or architect will be solely for Developer's account and will be promptly paid by Developer. The inspecting agent or

architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project.

3.09 **Barricades**. Prior to commencing any construction requiring barricades, Developer will 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, rules and regulations. HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content, and design of all barricades (other than the name and logo of Developer or the Project).

3.10 **Signs and Public Relations**. If requested by HED, Developer will erect in a conspicuous location on the Property during the Project a sign of size and style approved by the City, 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 any other pertinent information regarding Developer 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 as a part of the Project 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 thereto.

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

3.13 **Accessibility for Disabled Persons**. Developer acknowledges that it is in the public interest to design, construct and maintain the Project in a manner which promotes, enables, and maximizes universal access throughout the Project. Plans for all buildings on the Property and improvements on the Property will be reviewed and approved by the Mayor's Office for People with Disabilities ("MOPD") to ensure compliance with all applicable laws and regulations related to access for persons with disabilities and to promote the highest standard of accessibility.

3.14 **Affordable Housing Requirements**. Developer acknowledges that the Project is subject to the requirements of the City's Affordable Housing Ordinance, Chapter 2-44, Section 2-44-090 of the City's Municipal Code (the "**Affordable Housing Ordinance**"). Developer agrees as follows:

(a) **Affordable Housing Ordinance**. Developer acknowledges receipt of a copy of Section 2-44-090 of the Municipal Code and that Developer has read and understands such Municipal Code section.

(b) **Affordable Housing Undertaking**. Developer agrees to sell no fewer than eighteen (18) residential for-sale units within the Phase 1 Property to households at or below 100% of area median income ("AMI"). Current affordable prices, which shall be subject to updating during the course of the Project, are listed in Exhibit B-5.

(c) City Lien. Developer agrees that by recording this Agreement against the Property, Developer hereby grants the City a lien against the Property as security for Developer's performance to sell affordable units as provided in Municipal Code Section 2-44-090(i)(1).

(d) City Recapture Mortgage. A form of the City recapture mortgage (the "**City Recapture Mortgage**") is Exhibit P to this Agreement. In connection with the marketing of each affordable residential unit, Developer agrees to attach as an exhibit to each purchase contract a copy of the City Recapture Mortgage. Developer agrees to require in each of its affordable residential unit purchase contracts that the purchaser of each affordable residential unit must execute the City Recapture Mortgage as a junior mortgage and must comply with the on-going requirements stated in the City Recapture Mortgage. At each closing of the sale of an affordable residential unit, Developer will cause the fully signed and acknowledged City Recapture Mortgage to be recorded as a junior mortgage lien against the purchaser's affordable residential unit.

(e) Eligibility Record Keeping. Prior to the time that the City will reimburse Developer under Section 4.03 for TIF-Funded Improvements related to an affordable residential unit which is intended by Developer to meet the affordability requirements described above, Developer must present evidence to HED, in a form satisfactory to HED, that the person(s) purchasing such unit meet the income eligibility criteria defined by the Affordable Housing Ordinance. Developer will maintain records at its principal place of business with complete documentation on income eligibility in a form acceptable to HED. The City's Monitoring and Compliance Section will monitor each affordable residential sale.

3.15 Additional Project Features

(a) Landscaping. Developer will perform all landscaping work within the scope of the Project, if any, consistent with the landscaping requirements stated in the City of Chicago Open Space Impact Fee Ordinance, Journal of Proceedings of the City Council dated April 1, 1998 at pp 65269 - 65275.

(b) Park Construction. Developer will use its best efforts to work with HED and the Chicago Park District ("**Park District**") to determine mutually acceptable specifications for the Park Site (which specifications are expected to include seeding, lighting, fencing, sidewalks and other minimally standard requirements). Developer will negotiate a written agreement with the Park District to provide for the Park District's acceptance of the Park Site if the Park Site is improved to the agreed-upon specifications and other standard requirements of the Park District. If such a written agreement is executed by the Park District, then Developer shall complete the agreed-upon Park Site improvements and dedicate the Park Site and improvements to the Park District as provided in the terms of such written agreement. If within one (1) year following the date hereof, Developer and the Park District do not reach agreement on the specifications for the Park Site or execute a written agreement for the Park District's acceptance of the Park Site as described above, Developer shall then commence to promptly improve the Park Site in accordance with the specifications shown on Exhibit K hereto and to thereafter offer conveyance of and convey fee simple title in the improved Park Site: (i) to the Park District in the first instance, (ii) if the Park District declines such offer, then to the City for acceptance by either the City or a delegate agency of the City; and (iii) if both the Park District and City decline such

offer, to an association or non-profit corporation formed by or on behalf of families and individuals then residing in the Phase 1 Property, subject to a covenant that the Park Site will be maintained as a park for the residents of the Phase I Property. Until such time, if any, that the Park District, City, owners association or non-profit corporation takes title to the improved Park Site, Developer shall maintain the Park Site as improved.

(c) Green Construction. All construction of the Project, including but not limited to building construction, green space and surface parking, if any, shall be built in accordance with the “green construction” standards of applicable HED policies as incorporated in and required by PD 1008. Developer will submit written evidence demonstrating compliance with such requirements.

ARTICLE FOUR: FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be 49,616,220, to be applied in the manner stated in the Project Budget. Such costs will be funded from the following sources:

Equity (subject to <u>Section 4.06</u>)	\$ 2,100,000
Lender Financing	23,434,703
Residential Sale Proceeds	<u>23,881,517</u>
ESTIMATED TOTAL	\$49,616,220

4.02 Developer Funds. Equity, Lender Financing and residential sales proceeds will be used to pay all Project costs, including but not limited to costs of TIF-Funded Improvements. All Project costs will be front-funded by Developer.

4.03 City Funds.

(a) City Funds. Any funds expended by the City under this Agreement or otherwise related to the Project or to the TIF-Funded Improvements are defined as “City Funds”. City Funds may be used to reimburse Developer only for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs, which TIF-Funded Improvements are stated on Exhibit E. At Closing, Developer will submit a City Funds Requisition Form in the form of Exhibit N (the “Requisition Form”) to request payment of City Funds.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including this Section 4.03 and Article Five, the City hereby agrees to provide no more than \$11.9 million in City Funds to Developer as follows:

(i) \$1,100,000 cash on the Closing Date, payable only from Available Incremental Taxes deposited to the account associated with the 105th Street and Vincennes Redevelopment Project Area Special Tax Allocation Fund.

(ii) \$300,000 cash on the Closing Date to be deposited and disbursed only in accordance with Section 5.16 hereof, payable first from Available Incremental Taxes deposited to the account associated with the 105th Street and Vincennes Redevelopment Project Area Special Tax Allocation Fund, and only secondarily with additional funding

as needed from cash on hand ported from the 119th Street/I-57 Redevelopment Project Area which is contiguous with the Redevelopment Area, with such ported funds not to exceed \$200,000.

(iii) The taxable \$3,200,000 note to be issued on the Closing Date as described in Section 4.03(c).

(iv) Not more than \$7,300,000 in Pay-As-You-Go TIF payments over the life of the Redevelopment Area as described in Section 4.03(d).

(c) Taxable City Note and Developer Account.

On the Closing Date, the City will issue to Developer a promissory note the "City Note") with the following terms and conditions:

(i) Principal. The principal balance for the City Note will be equal to \$3,200,000, in accordance with the Certificate of Expenditure to be issued by the City in the form of Exhibit M for \$3,200,000 of Developer's expenditures for TIF-Funded Improvements prior to the Closing Date, Developer having provided satisfactory evidence prior to the date hereof for such expenditures.

(ii) Interest. When issued at closing, interest on the City Note will be subject to federal income taxes. The annual interest rate will be based on the interest rate for BBB (municipal market data) G.O. Bond Rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD"). The interest rate will be set at 150 basis points over the observed median value for the prevailing interest rates as published by MMD for the 15 consecutive previous Business Days prior to the date of the issuance of the City Note, but the interest rate on the City Note will be in no event greater than 8.50% per annum. Accrued but unpaid interest will also bear interest at the interest rate set when the City Note is issued and will compound annually, all payable each February 1.

(iii) Term. The City Note will have a term ending on December 31, 2025; provided, however, such term will be extended if and to the extent the term of the Redevelopment Area is extended and an extension of the City Note term is necessary for payment of unpaid principal and interest.

(iv) Payment of Principal and Interest.

(A) Interest on the City Note will begin to accrue on the Closing Date.

(B) Payments of principal and interest on the City Note will be funded first from funds to be ported from the 119th Street/I-57 Redevelopment Project Area, which is contiguous with the Redevelopment Area, in accordance with Section 4.03(c)(v)(A). In the event such funds are insufficient to pay the amounts of principal and interest under the City Note when due, payments of principal and interest on the City Note shall be paid from Available Incremental Taxes in accordance with Section 4.03(c)(v)(B).

(C) Payments of principal and interest on the City Note will be made as provided in the debt service schedule attached thereto.

(D) Developer Account. Except as provided in Section 4.03(c)(v)(B), the ported funds, only, will be used to pay principal and interest on the City Note and unpaid interest, if any. In the ordinance authorizing the issuance of the City Note, the City will establish an account denominated the "MGM/TGI 105th Street LLC Developer Account" within the 105th Street and the Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund. All Available Incremental Taxes and all ported funds for the required payments of the City Note will be deposited into the MGM/TGI 105th Street LLC Developer Account.

(E) Insufficient Available Incremental Taxes or Ported Funds. If the amount of the ported funds pledged under this Agreement are insufficient to make any scheduled payment on the City Note, due but unpaid scheduled payments (or portions thereof) on the City Note will be paid, if possible, from Available Incremental Taxes as provided in Section 4.03(c)(v)(B). If the amount of the ported funds and such Available Incremental Taxes are still insufficient to make any scheduled payment on the City Note: (1) the City will not be in default under this Agreement or the City Note, and (2) interest per annum at the rate set when the City Note is issued will accrue on any principal or interest payments which are unpaid because the ported funds or Available Incremental Taxes are insufficient.

(F) Prepayment. The City may pre-pay the City Note at any time, in whole or in part.

(v) Other Provisions

(A) Except for the 119th Street/I-57 Prior Obligations, as scheduled in the Agreement definition section, the City has not pledged available incremental taxes from the 119th Street/I-57 Redevelopment Project Area and will not subordinate the City Note to or place the City Note on a parity basis with any subsequent or other pledge of available incremental taxes from the 119th Street/I-57 Redevelopment Project Area without the prior written consent of the then registered owner of the City Note. Subject to the 119th Street/I-57 Prior Obligations and such other obligations to which the then registered owner of the City Note has consented, the incremental taxes from the 119th Street/I-57 Redevelopment Project Area (less the applicable TIF District Administration Fee described in Section 4.05(b)) will be pledged as the primary source of funds for payment of principal and interest under the City Note.

(B) Available Incremental Taxes will be pledged as an additional source of funds for payment on the City Note but only if: (X) funds from the 119th Street/I-57 Redevelopment Project Area are insufficient for full payment of the City Note; and (Y) Pay-as-you-go payments to Developer under this Agreement have been made in an amount no less than \$6,400,000.

(d) Pay-As-You-Go TIF Payments

(i) Amount. Developer shall receive no more than \$7,300,000 of the payments described in this Section 4.03(d) (“**Pay-As-You-Go TIF Payments**”) during the life of the Redevelopment Area, which is scheduled to end on December 31, 2025, such date being the last date of the calendar year in which taxes levied in the year that is 23 years after the creation of the Redevelopment Area are paid.

(ii) Sources of Payment.

(A) Pay-As-You-Go TIF Payments will be made from Available Incremental Taxes. “**Available Incremental Taxes**” is defined as: (i) 100% of the Incremental Taxes from parcels within the current boundaries of the Redevelopment Area plus not less than 25% of the incremental taxes from parcels (if any) added to the Redevelopment Area during the Term of Agreement, with the final percentage (not less than 25%) determined administratively by the Commissioner in writing; less (ii) the applicable TIF District Administration Fee (up to 5%) described in Section 4.05(b). The addition of parcels to the Redevelopment Area, if any, shall in no event increase the \$7,300,000 maximum amount of Pay-As-You-Go TIF Payments under this Agreement.

(iii) Annual Payments.

(A) Annual payments will commence March 1, 2012. Annual payments thereafter are to be made on March 1st.

(B) 2012 Payment. The March 1, 2012 annual payment will include all Available Incremental Taxes, excluding, however, any Available Incremental Taxes already remitted at Closing Date in accordance with the terms of this Agreement.

(C) 2013 and 2014 Payments. As a precondition to any payments made during 2013 or 2014, Developer shall have provided the City (prior to December 31st of the calendar year prior to the year in which the annual payment will be made) an affidavit and standard supporting material verifying that Developer has complied with all City Requirements for all construction completed during that preceding calendar year.

(D) Payments of Available Incremental Taxes collected for tax years 2014 and 2015. As a precondition to any payments of Available Incremental Taxes collected for tax years 2014 and 2015, Developer shall have provided the City prior to December 31st of the calendar year prior to the year in which the annual payments will be made) with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 20 homes (including the 8 homes already built and sold) within the Phase 1 Property; and

- (y) sold no fewer than 4 homes as affordable housing to household whose incomes are at or below 100% of AMI.

(E) Payments of Available Incremental Taxes collected for tax year 2016. As a precondition to any payments of Available Incremental Taxes collected for tax year 2016, Developer shall have provided the City (prior to December 31st of the calendar year prior to the year in which the annual payment will be made) with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 40 homes (including the 8 homes already built and sold) within the Phase 1 Property; and
- (y) sold, in the aggregate no fewer than 8 homes as affordable housing to households whose incomes are at or below 100% of AMI.

(F) Payments of Available Incremental Taxes collected for tax year 2017 and subsequent tax years. As a precondition to any payments of Available Incremental Taxes collected for tax year 2017 and subsequent tax years, As a precondition to payment in 2017 and subsequent years, Developer shall have provided the City with an additional affidavit and standard supporting material verifying that Developer has:

- (x) completed construction in the aggregate of no fewer than 90 homes (including the 8 homes already built and sold) within the Phase 1 Property; and
- (y) sold in the aggregate no fewer than 18 homes as affordable housing to household whose incomes are at or below 100% of AMI.

(iv) Reduction in Pay-As-You-Go TIF Payments. Developer's entitlement to pay-as-you-go TIF funds shall be reduced by \$900,000 to \$6,400,000 unless Developer has provided the City by December 31st, 2018 with an additional affidavit and standard supporting material verifying that:

- (x) the Dispersed Lots were improved with 18 homes, each home conforming to plans and specifications approved by HED; and
- (y) Either 4 homes on the Dispersed Lots were sold as affordable housing to households whose incomes are at or below 100% of AMI; or else at least 22 homes within the Phase 1 Property were sold as affordable housing to households whose incomes are at or below 100% of AMI; and

- (z) Work to construct or complete single family homes on the Dispersed Lots has complied with the City Residency and MBE/WBE requirements stated in this Agreement, or else shortfalls in compliance were satisfied by Developer in construction of the Project; and
- (aa) Work to construct or complete single-family homes on the Dispersed Lots has complied with the Prevailing Wage requirements stated in this Agreement.

4.04 **Adjustment in Principal Amount of City Note.**

(a) City Note. Prior to the issuance of the Certificate of Completion as provided in Section 7.01, Developer shall certify to the City the calculation of Excess Profits (as defined below) for Developer's sales of homes from the Project. If there are Excess Profits, then the principal amount then outstanding on the City Note will be reduced by \$0.50 for each \$1.00 of Excess Profits in the Project. If there are no Excess Profits, then the principal amount then outstanding on the City Note will remain unadjusted. Any reduction in principal on the City Note will be a one-time reduction.

(b) Calculation of Excess Profit. Excess Profit will be calculated using the following formulas:

(i) Excess Profit ("**Excess Profit**") = Actual Profit minus Threshold Profit.

(ii) Threshold Profit = 15% of Actual Project Costs.

(iii) Actual Profit = Net Sales Proceeds plus City Funds received to the date of calculation minus Actual Project Costs.

(c) Definitions Applicable to the Calculation of Excess Profit.

(i) Gross Sales Proceeds is defined as all revenue generated by the Project on an accrual basis under generally accepted accounting principles and practices, consistently applied, including the proceeds from the sale of residential units, parking spaces, upgrades or add-ons to residential units, sales of additional services such as extended warranties, follow-on landscaping or snow removal, provided, however, that the definition of Gross Sales Proceeds will not include any revenue not accrued by Developer as of the date of calculation under generally accepted accounting principles and practices, consistently applied.

(ii) Net Sales Proceeds is defined as Gross Sales Proceeds minus: actual sales commissions, closing costs and other Project costs the City reasonably determines should be deducted from Gross Sales Proceeds rather than included in Project Costs.

(iii) Estimates to be Used. If all of the market rate residential units have not been sold at the date of calculation of Excess Profits, then estimates of the gross and net sales proceeds for the unsold residential units by type of unit (i.e. town home or single-

family home) will be used for calculation purposes. Such estimates will be based on the average of the gross and net sales proceeds (including upgrades, parking spaces and other additional revenues) for the market rate residential units by the type of unit already sold in the Project Phase.

(iv) Actual Project Costs is defined to include all hard and soft costs actually expended to implement the Project by Developer or the registered owner of the City Note, less the following costs:

(A) sales commissions

(B) closing costs

(C) Developer fee

(D) Threshold Profit

(E) Other Project costs the City reasonably determines should be deducted from gross sales proceeds rather than included in Project Costs.

(v) Prove-up of Costs. Developer must prove-up all cost information to the satisfaction of the City.

4.05 Treatment of Prior Expenditures/Administration Fee.

(a) Prior Expenditures. Only those expenditures made by Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, will be considered previously contributed Equity or Lender Financing, if any, hereunder (the "**Prior Expenditure(s)**"). HED has the right, in its sole discretion, to disallow any such expenditure (not listed on Exhibit H) as a Prior Expenditure as of the date of this Agreement. Exhibit H identifies the prior expenditures approved by HED as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements will not be reimbursed to Developer, but will reduce the amount of Equity and/or Lender Financing, if any, required to be contributed by Developer under Section 4.01.

(b) TIF District Administration Fee. As reflected in the definition of Available Incremental Taxes, the City may annually allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Likewise, the City may annually allocate an amount not to exceed five percent (5%) of the incremental taxes from the 119th Street/I-57 Redevelopment Project Area for payment of costs incurred by the City for the administration and monitoring of that District, including redevelopment project located within its boundaries. Both of the foregoing fees 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 prior to any payment of City Funds hereunder.

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

4.07 **TIF Bonds.** The Commissioner of HED may, in his or her sole discretion, recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the City Comptroller, is marketable under the then current market conditions. The proceeds of TIF Bonds may be used to pay City Funds due under this Agreement and for other purposes as the City may determine. The costs of issuance of the TIF Bonds would be borne solely by the City. Developer will cooperate with the City in the issuance of the TIF Bonds, as provided in Section 8.05.

4.08 **Preconditions of Disbursement.** Prior to each disbursement of City Funds hereunder, Developer shall submit documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by Developer to HED of any request for disbursement of City Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for disbursement, that:

- (a) the representations and warranties contained in this Agreement are true and correct and Developer is in compliance with all covenants contained herein;
- (b) Developer has received no notice and has no knowledge of any lien or claim of lien either filed or threatened against the Property or the Project except for the Permitted Liens;
- (c) no Event of Default or condition or event which, with the giving of notice or passage time or both, would constitute an Event of Default exists or has occurred; and

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 not limited to the requirements set forth in the Bond Ordinance, if any; the TIF Bond Ordinance, if any; the Bonds, if any; the TIF Bonds, if any; the TIF Ordinances and this Agreement.

ARTICLE FIVE: CONDITIONS PRECEDENT TO CLOSING

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

5.01 **Project Budget.** Developer will have submitted to HED, and HED will have approved, the Project Budget stated in Exhibit D-1, in accordance with the provisions of Section 3.03. This condition precedent has been satisfied prior to the date hereof.

5.02 **Scope Drawings and Plans and Specifications.** Developer will have submitted to HED, and HED will have approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.02. This condition precedent has been satisfied prior to the date hereof.

5.03 **Other Governmental Approvals.** Not less than 5 Business Days prior to the Closing Date, Developer will have secured or applied for or provided HED with an application time schedule for all other necessary approvals and permits required by any Federal, State, or local statute, ordinance, rule or regulation to begin or continue construction of the Project, and will submit evidence thereof to HED.

5.04 **Financing.**

(a) Developer will have furnished evidence acceptable to the City that Developer has Equity and Lender Financing, if any, at least in the amounts stated in Section 4.01 to complete the Project and satisfy its obligations under this Agreement. If a portion of such financing consists of Lender Financing, Developer will have furnished evidence as of the Closing Date that the proceeds thereof are available to be drawn upon by Developer as needed and are sufficient (along with the Equity and other financing sources, if any, stated in Section 4.01) to complete the Project.

(b) Prior to the Closing Date, Developer will deliver to HED a copy of the construction escrow agreement, if any, entered into by Developer regarding Developer's Lender Financing, if any. Such construction escrow agreement must provide that the City will receive copies of all construction draw request materials submitted by Developer after the date of this Agreement.

(c) Any financing liens against the Property or the Project in existence at the Closing Date will be subordinated to certain encumbrances of the City stated in this Agreement under a subordination agreement, in the form of Exhibit O, executed on or prior to the Closing Date, which is to be recorded, at the expense of Developer, in the Office of the Recorder of Deeds of Cook County.

5.05 **Title.** On the Closing Date, Developer will furnish the City with a copy of the Title Policy for the Property, showing Developer as the named insured. The Title Policy will be dated as of the Closing Date and will contain only those title exceptions listed as Permitted Liens on Exhibit I and will evidence the recording of this Agreement under the provisions of Section 8.15. The Title Policy will also contain the following endorsements as required by Corporation Counsel: an owner's comprehensive endorsement and satisfactory endorsements regarding location, access, and survey. On or prior to the Closing Date, Developer will provide to HED documentation related to the Property and copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

5.06 **Evidence of Clear Title.** Not less than 5 Business Days prior to the Closing Date, Developer, at its own expense, will have provided the City with current searches under Developer's name as follows:

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

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

5.07 **Surveys.** If requested by HED, not less than 5 Business Days prior to the Closing Date, Developer will have furnished the City with 3 copies of the Survey.

5.08 **Insurance.** Developer, at its own expense, will have insured the Property as required under Article Twelve. At least 5 Business Days prior to the Closing Date, certificates required under Article Twelve evidencing the required coverages will have been delivered to HED.

5.09 **Opinion of Developer's Counsel.** On the Closing Date, Developer will furnish the City with an opinion of counsel, substantially in the form of Exhibit J, with such changes as may be required by or 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 stated in Exhibit J, such opinions shall be obtained by Developer from its general corporate counsel.

5.10 **Evidence of Prior Expenditures.** Not less than 20 Business Days prior to the Closing Date, Developer will have provided evidence satisfactory to HED of the Prior Expenditures as provided in Section 4.05. Such evidence of Prior Expenditures may be updated to the Closing Date by Developer.

5.11 **Financial Statements.** Not less than 30 days prior to the Closing Date, Developer will have provided Financial Statements to HED for its 2009 and 2010 fiscal years, if available, and its most recently publicly available unaudited interim Financial Statements, in each case together with any opinions and management letters prepared by auditors.

5.12 **Additional Documentation.** Developer will have provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment profile, if requested by HED, and copies of any ground leases or operating leases and other tenant leases executed by Developer for leaseholds on the Property, if any.

5.13 **Environmental Reports.** Not less than 30 days prior to the Closing Date, Developer will provide HED with copies of all environmental reports or audits, if any, obtained by Developer with respect to the Property, together with any notices addressed to Developer from any agency regarding environmental issues at the Property. Prior to the Closing Date, Developer will have provided the City with a letter from the environmental engineer(s) who completed such report(s) or audit(s), authorizing the City to rely on such report(s) or audit(s).

5.14 **Entity Documents; Economic Disclosure Statement.**

(a) **Entity Documents.** Developer will provide a copy of its current Articles of Organization, with all amendments, containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of Illinois and all other states, if any, in which Developer is registered to do business; its limited liability company operating agreement; a roster of limited liability company members showing their respective membership interests; a secretary's certificate in such form and substance as the Corporation Counsel may require; and such other organizational documentation as the City may request.

(b) **Economic Disclosure Statement.** Developer will provide the City an EDS, in the City's then current form, 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 **Litigation.** Developer has provided to Corporation Counsel and HED in writing, a description of all pending or threatened litigation or administrative proceedings: (a) involving Developer's property located in the City, (b) that Developer is otherwise required to publicly disclose or that may affect the ability of Developer to perform its duties and obligations under this Agreement, or (c) involving the City or involving the payment of franchise, income, sales or other taxes by such party to the State of Illinois or the City. In each case, the description shall specify the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith, and whether (and to what extent) such potential liability is covered by insurance.

5.16 **TIF Expansion Study.** In conjunction with the Closing, Developer will cause Lender to create a segregated, non-interest-bearing account (the "**TIF Expansion Study Account**") and will immediately deposit into such account: (i) the entire \$300,000 cash payment referenced in Section 4.03(b)(ii) hereof; and (ii) \$100,000 of Developer funds. Except with respect to a termination of the TIF Expansion Study Account in accordance with this Section

5.16, funds in the TIF Expansion Study Account shall be disbursed only to pay for the costs of professional studies and services in connection with a potential expansion of the boundaries of the Redevelopment Area. In no event shall the terms of this Agreement or any other action or conduct by or on behalf of the City prior to the date hereof suggest that the City has agreed to or will approve any such expansion or otherwise exercise its governmental powers in connection with any expansion of the Redevelopment Area. In no event shall the terms of this Agreement or any other action or conduct by or on behalf of the City or Developer prior to the date hereof suggest that Developer will provide, or is obligated hereunder to provide, any additional funds in connection with any such expansion or associated studies. Until the exhaustion of the amounts held in the TIF Expansion Study Account, each Requisition Form submitted by Developer to the City in accordance with the terms of this Agreement shall include: (i) the balance held in the TIF Expansion Study Account on the date of such Requisition Form; (ii) an itemized list of payments made from the TIF Expansion Study Account made or occurring since the most recent Requisition Form submitted by Developer to City; together with (iii) supporting documentation from the recipients of such payments indicating the funds were utilized for the TIF expansion study described herein and for no other purpose. In the event the City Council of the City of Chicago should approve an ordinance containing provisions that expand the boundaries of the Redevelopment Area (if approved, an “**Expansion Ordinance**”), seventy-five percent (75%) of those funds, if any, remaining in the TIF Expansion Study Account shall be disbursed to the City within thirty (30) calendar days of said ordinance’s publication, and the remaining twenty-five percent (25%) shall be released to Developer. In the event the City Council of the City of Chicago has not approved an Expansion Ordinance within three (3) years of the date hereof, the TIF study shall be terminated, and the funds remaining in the TIF Expansion Study Account, if any, shall be disbursed to the City and released to Developer in the same proportions as the preceding sentence.

ARTICLE SIX: AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors.

(a) HED has approved Developer’s selection of Developer or The Terrell Group, Inc., an Illinois corporation, as the general contractor for the construction of the Project (the “**General Contractor**”). Developer must solicit, or must cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City.

(b) For the TIF-Funded Improvements, Developer must cause the General Contractor to select the subcontractor submitting the lowest responsible bid who can complete the Project (or phase thereof) in a timely and good and workmanlike manner; provided, however, that Developer may consider a bidder’s ability to meet the unique challenges of the Project in evaluating the “lowest responsible bid” rather than the lowest bid. If the General Contractor selects any subcontractor submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds.

(c) Developer must submit copies of the Construction Contract to HED as required under Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements must be provided to HED within 20 Business

Days of the execution thereof. Developer must ensure that the General Contractor will not (and must cause the General Contractor to ensure that the subcontractors will not) begin work on the Project (or any phase thereof) until the applicable Plans and Specifications for that phase have been approved by HED and all requisite permits have been obtained.

6.02 **Construction Contract.** Prior to the execution thereof, Developer must deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to work on the TIF-Funded Improvements under Section 6.01 above, for HED's prior written approval. Within 10 Business Days after execution of such contract by Developer, the General Contractor and any other parties thereto, Developer must deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 **Performance and Payment Bonds.** Prior to commencement of construction of any work in the public way, if any, Developer will require that the General Contractor and any applicable subcontractor(s) be bonded (as to such work in the public way) for their respective payment and performance by sureties having an AA rating or better using the form of payment and performance bond form attached as Exhibit L. The City will be named as obligee or co-obligee on such bond.

6.04 **Employment Opportunity.** Developer will contractually obligate and cause the General Contractor to agree and contractually obligate each subcontractor to agree to the provisions of Article Ten.

6.05 **Other Provisions.** In addition to the requirements of this Article Six, the Construction Contract and each contract with any subcontractor working on the Project must contain provisions required under Section 3.04 (Change Orders), Section 8.08 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Construction Worker Employment Requirement), Section 10.03 (Developer's MBE/WBE Commitment), Article Twelve (Insurance) and Section 14.01 (Books and Records).

ARTICLE SEVEN: COMPLETION OF CONSTRUCTION

7.01 **Certificate of Completion of Construction.** Upon completion of the construction of the Project in compliance with the terms and conditions of this Agreement, and upon Developer's written request, HED will issue to Developer a certificate of completion of construction in recordable form (the "**Certificate of Completion**") certifying that Developer has fulfilled its obligation to complete the Project in compliance with the terms and conditions of this Agreement. HED will respond to Developer's written request for a Certificate of Completion within 30 days by issuing either a Certificate of Completion 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 of Completion. Developer may resubmit a written request for a Certificate of Completion upon completion of such measures, and the City will respond within 30 days in the same way as the procedure for the initial request. Such process may repeat until the City issues a Certificate of Completion.

7.02 Effect of Issuance of Certificate of Completion; Continuing Obligations.

(a) The Certificate of Completion relates only to the construction 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 issuance of a Certificate of Completion, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate of Completion must not be construed as a waiver by the City of any of its rights and remedies under such executory terms.

(b) Those covenants specifically described at Section 8.16 (Real Estate Taxes) as covenants that run with the land comprising the Property are the only covenants in this Agreement intended to be binding throughout the Term of the Agreement upon any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph and regardless of whether or not a Certificate of Completion has been issued. Unless a Certificate of Completion has been issued, those covenants specifically described at Section 8.02 (Covenant to Redevelop) as covenants that run with the land comprising the Property are the only other covenants in this Agreement intended to be binding throughout the Term of the Agreement upon any transferee of the Developer holding title to the Property or any portion thereof, regardless of whether or to what extent that owner is also an assignee of Developer as described in this paragraph. The other executory terms of this Agreement that remain after the issuance of a Certificate of Completion will be binding only upon Developer or a permitted assignee of Developer who, as provided in Section 18.15 (Assignment) of this Agreement, has contracted to take an assignment of Developer's rights under this Agreement and assume Developer's liabilities hereunder.

7.03 Failure to Complete. If Developer fails to timely complete the Project in compliance with the terms of this Agreement, then the City will have, but will not be limited to, any of the following rights and remedies, in addition to those stated in Section 15.02.

(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 such TIF-Funded Improvements (including interest costs) out of the payment and performance bond form attached as Exhibit L, and, if such funds are insufficient, then from City Funds or other City monies. If the aggregate costs incurred by the City to complete the TIF-Funded Improvements exceeds the amount of funds described in the preceding sentence, Developer will reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of those funds.

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

**ARTICLE EIGHT: REPRESENTATIONS, WARRANTIES AND
COVENANTS OF DEVELOPER.**

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

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

(b) 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 limited liability company action, and does not and will not violate its Articles of Organization as amended and supplemented, its operating agreement, 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 or any of its assets is now or may become bound;

(d) Developer has acquired and will maintain good, indefeasible and merchantable fee simple title to the Property (and improvements located thereon) free and clear of all liens (except for the Permitted Liens or Lender Financing, if any, as disclosed in the Project Budget, and those liens otherwise bonded or insured over in accordance with the terms of this Agreement).

(e) Developer is now, and for the Term of the Agreement, will 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 or, to Developer's actual knowledge threatened or affecting Developer which would impair its ability to perform under this Agreement;

(g) Developer has and will maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to construct and complete 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 or any of its assets is bound beyond applicable notice and cure periods;

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

(j) prior to the issuance of a Certificate of Completion, if it would adversely affect Developer's ability to perform its obligations under this Agreement, Developer will not do any of the following without the prior written consent of HED: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose (directly or indirectly) of all or substantially all of its assets or any portion of the Property or the Project (including but not limited to any fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business, and except to buyers of the residential for-sale units on the Property; (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 to the extent that such action would have an adverse effect on Developer's ability to perform its obligations under this Agreement; or (5) enter into any transaction that would cause a material and detrimental change to Developer's financial condition. Notwithstanding the foregoing provisions set forth in this Section 8.01(j), Developer or either of Developer's Members may assign their interests in Developer, the Property or the Project to one or more entities that are at least fifty percent (50%) owned and controlled (directly or indirectly) by one of the two current Members of Developer as of the date hereof or by Lender, so long as each of the following conditions are satisfied:

(i) no fewer than thirty (30) days prior to such assignment, the assigning entity provides the City with written notice of such assignment, together with an EDS, in the City's then current form, dated as of the date of such notice and any other affidavits or certifications as may be required by Federal, State or local law in the award of public contracts executed by each proposed assignee (plus such supplemental EDSs, affidavits and certifications as are required for entities that will own or control the assignee);

(ii) neither the assignee nor any entity or individual that owns or controls the assignee is then ineligible to do business with the City under Chapter 1-23 of the Municipal Code;

(iii) the assignee assumes the obligations and liabilities of the assigning entity under this Agreement in a written instrument; and

(iv) the assigning entity or assignee delivers written notice to the City with a correct and complete copy of the written instrument pursuant to which the assignment and assumption was accomplished;

(k) Developer has not incurred and, prior to the issuance of a Certificate of Completion, will not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Property other than the Permitted Liens; or incur any indebtedness secured or to be secured by the Property or the Project or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget;

(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 under 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 of the City, as amended; and

(m) neither Developer nor any Affiliate thereof 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 Lists, the Unverified List, the Entity List and the Debarred List.

8.02 Covenant to Redevelop. Upon HED's approval of the Scope Drawings and Plans and Specifications, and the Project Budget as provided in Sections 3.02 and 3.03, and Developer's receipt of all required building permits and governmental approvals, Developer will redevelop the Property and the Project in compliance with this Agreement and all exhibits attached hereto, the TIF Ordinances, the Scope Drawings, the Plans and Specifications, the Project Budget and all amendments thereto, and all Federal, State and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Property, the Project and/or Developer. The covenants set forth in this Section 8.02 will run with the land comprising the Property (as defined herein) and will be binding upon any transferee, until fulfilled as evidenced by the issuance of a Certificate of Completion.

8.03 Redevelopment Plan. Developer represents that the Project is and will be in compliance with all applicable terms of the Redevelopment Plan, as in effect on the date of this Agreement.

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

8.05 Other Bonds. At the request of the City, Developer will agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole and absolute 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 provided a source of funds for the payment for the TIF-Funded Improvements (the "**Bonds**"); provided, however, that any such amendments will not have a material adverse effect on Developer or the Project. Developer will, 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 (but not including proprietary sales and operating information), and assisting the City in its preparation of an offering statement with respect thereto. Developer will not have any liability with respect to any disclosures made in connection with any such issuance that are actionable under applicable securities laws unless such disclosures are based on factual information provided by Developer that is determined to be false and misleading.

8.06 Employment Opportunity.

(a) Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and, as applicable, to cause the General Contractor to contractually obligate each subcontractor to abide by the terms set forth in

Section 8.08 (Prevailing Wage) and Article Ten (Developer's Employment Obligations). Developer will submit a plan to HED describing its compliance program prior to the Closing Date.

(b) Developer will deliver to the City written monthly progress reports detailing compliance with the requirements of Sections 8.08, (Prevailing Wage) 10.02 (City Resident Construction Worker Employment Requirement) and 10.03 (Developer's MBE/WBE Commitment) of this Agreement. If any such reports indicate a shortfall in compliance, Developer will also deliver a plan to HED which will outline, to HED's satisfaction, the manner in which Developer will correct any shortfall.

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

8.08 Prevailing Wage. Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor to pay and to contractually cause each subcontractor to pay, the prevailing wage rate as ascertained by the State Department of Labor (the "**Labor Department**"), to all of their respective employees working on constructing the Project or otherwise completing the TIF-Funded Improvements. All such contracts will list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed under such contract, or alternatively Developer will provide applicable schedules evidencing wage rates paid. If the Labor Department revises such prevailing wage rates, the revised rates will apply to all such contracts. Upon the City's request, Developer will provide the City with copies of all such contracts entered into by Developer or the General Contractor to evidence compliance with this Section 8.08.

8.09 Arms-Length Transactions. Unless HED shall have given its prior written consent with respect thereto, no Affiliate of Developer (other than the General Contractor or The Terrell Materials Corporation, an Illinois corporation, for TIF-Funded Improvements) 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 will provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to an Affiliate by Developer and reimbursement to Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

8.10 Financial Statements. Developer will obtain and provide to HED Financial Statements for 2009 and 2010, if available, and each year thereafter for the Term of the Agreement.

8.11 Insurance. Solely at its own expense, Developer will comply with all applicable provisions of Article Twelve (Insurance) hereof.

8.12 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 Charges assessed or imposed upon the Property or the Project or the or any

fixtures that are or may become attached thereto and which are owned by Developer, which creates, may create, or appears to create a lien upon all or any portion of the Property; provided however, that if such Non-Governmental Charges 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 will furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other evidence satisfactory to HED, evidencing payment of the Non-Governmental Charges in question.

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

(i) to contest or object in good faith to the amount or validity of any Non-Governmental Charges by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charges, prevent the imposition of a lien or remove such lien, or prevent the transfer 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 Charges at the time and in the manner provided in this Section 8.12); or

(ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED will require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such transfer 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 Charges and all interest and penalties upon the adverse determination of such contest.

8.13 Developer's Liabilities. Developer will not enter into any transaction that would materially and adversely affect its ability to: (i) perform its obligations under this Agreement or (ii) repay any material liabilities or perform any material obligations of Developer to any other person or entity. Developer will immediately notify HED 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 under any other documents and agreements.

8.14 Compliance with Laws.

(a) Representation. To Developer's knowledge, after diligent inquiry, the Property and the Project are in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property and the Project. Upon the City's request, Developer will provide evidence reasonably satisfactory to the City of such current compliance.

(b) Covenant. Developer covenants that the Property and the Project will be operated and managed in compliance with all applicable Federal, State and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property or the Project, including the following Municipal Code Sections: 7-28-390, 7-28-440, 11-4-

1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550 or 11-4-1560, whether or not in performance of this Agreement. Upon the City's request, Developer will provide evidence to the City of its compliance with this covenant.

8.15 **Recording and Filing.** Developer will cause this Agreement, certain exhibits (as specified by Corporation Counsel) and all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois against the Property. Such recordings shall be recorded prior to any mortgage made in connection with Lender Financing, if any. Developer will pay all fees and charges incurred in connection with any such recording. Upon recording, Developer will immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.16 **Real Estate Provisions.**

(a) **Governmental Charges.**

(i) **Payment of Governmental Charges.** Subject to subsection (ii) below, 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, or appear to 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 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 transfer or forfeiture of the Property or the Project. Developer's right to challenge real estate taxes applicable to the Property or the Project is limited as provided for in Section 8.16(c) below; provided, that such real estate taxes must be paid in full when due. No such contest or objection will 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 HED of Developer's intent to contest or object to a Governmental Charge and, unless, at HED's sole option:

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

(y) Developer will furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED may require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or transfer or forfeiture of the Property or the Project 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 or contest any Governmental Charge or to obtain discharge of the same, Developer will advise HED thereof in writing, at which time HED may, but will not be obligated to, and without waiving or releasing any obligation or liability of Developer under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, will be promptly disbursed to HED by Developer. Notwithstanding anything contained herein to the contrary, this paragraph must 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.

(c) Real Estate Taxes.

(i) Real Estate Tax Exemption. With respect to the Property or the Project (and related improvements) or the Project, neither Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer will, during the Term of this Agreement, seek or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(ii) No Reduction in Real Estate Taxes.

(A) Neither Developer, nor any person acting on behalf of Developer, will, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project, provided, however, that this restriction does not apply to any purchases of a home from Developer.

(B) After diligent inquiry, Developer knows of no pending application, appeal or request for reduction of the assessed value of all or any portion of the Property or the Project filed by Developer for any tax year prior to or including the tax year in which this Agreement is executed.

(iii) No Objections. Neither Developer, nor any person acting by, through or on behalf of Developer, will object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Under Assessment Complaint (as defined below) or subsequent proceedings related thereto with the Cook County Assessor or with the

Cook County Board of Appeals, by either the City or any taxpayer. The term “**Under Assessment Complaint**” as used in this Agreement means any complaint seeking to increase the assessed value of the Property or the Project.

(iv) **Covenants Running with the Land Comprising the Property.** The parties agree that the restrictions contained in this **Section 8.16(c)** are covenants running with the land comprising the Property (as defined herein). This Agreement will be recorded by Developer against the Property as a memorandum thereof, at Developer’s expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions will be binding upon any owner of the Property, from and after the date hereof, **provided however, that the covenants will be released when the Redevelopment Area is no longer in effect, or upon expiration of the Term of Agreement.** Developer agrees that any sale, transfer, lease, conveyance, or transfer of title to all or any portion of the Property or the Project from and after the date hereof shall be made explicitly subject to such covenants and restrictions (other than conveyances of homes to individuals and families and conveyance of the Park Site). Notwithstanding anything contained in this **Section 8.16(c)** to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of Developer, its successors or assigns, may waive and terminate Developer’s covenants and agreements set forth in this **Section 8.16(c)**.

8.17 Annual Compliance Report. Throughout the Term of the Agreement, Developer shall submit to HED the Annual Compliance Report within 30 days after the end of the calendar year to which the Annual Compliance Report relates.

8.18 Reserved.

8.19 Broker’s Fees. Developer has no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to any of the transactions contemplated by this Agreement for which the City could become liable or obligated.

8.20 No Conflict of Interest. Under 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, (a “**City Group Member**”) owns or controls, has owned or controlled or will own or control any interest, and no such City Group Member will 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, the Property, the Property, the Project, or to Developer’s actual knowledge, any other property in the Redevelopment Area.

8.21 Disclosure of Interest. Developer’s counsel has no direct or indirect financial ownership interest in Developer, the Property or any other feature of the Project.

8.22 No Business Relationship with City Elected Officials. Developer acknowledges receipt of a copy of Section 2-156-030(b) of the Municipal Code and that Developer has read and understands such provision. Under Section 2-156-030(b) of the Municipal Code of Chicago, it is illegal for any elected official of the City, or any person acting

at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a "Business Relationship" (as defined in Section 2-156-080(b)(2) of the Municipal Code), or to participate in any discussion of any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship. Violation of Section 2-156-030(b) by any elected official, or any person acting at the direction of such official, with respect to this Agreement, or in connection with the transactions contemplated thereby, will be grounds for termination of this Agreement and the transactions contemplated thereby. 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 thereby.

8.23 **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: (a) to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code and (b) to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Developer represents that it understands and will abide by all provisions of Chapters 2-56 and 2-55 of the Municipal Code and that it will inform subcontractors of this provision and require their compliance.

8.24 **Prohibition on Certain Contributions – Mayoral Executive Order No. 05-1.** Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("**Owners**"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement) ("**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 (Developer and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), will not make a contribution of any amount to the Mayor of the City of Chicago (the "**Mayor**") or to his political fundraising committee: (i) after execution of this Agreement by Developer, (ii) while this Agreement or any Other Contract is executory, (iii) during the Term of this Agreement or any Other Contract between Developer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Developer represents and warrants that from the later of: (i) February 10, 2005, or (ii) the date the City approached Developer or the date Developer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

Developer agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 05-1 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 05-1.

Developer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 05-1 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, unless the City, in its sole discretion, elects to grant such an opportunity to cure. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under any Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Developer intentionally violates this provision or Mayoral Executive Order No. 05-1 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

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 fundraising committee.

“Other Contract” means any other agreement with the City of Chicago to which Developer 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 of the City of Chicago.

“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:
 - 1. The partners have been residing together for at least 12 months.
 - 2. The partners have common or joint ownership of a residence.
 - 3. 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.
4. Each partner identifies the other partner as a primary beneficiary in a will.

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

8.25 **Survival of Covenants.** All warranties, representations, covenants and agreements of Developer contained in this Article Eight and elsewhere in this Agreement are true, accurate and complete at the time of Developer’s execution of this Agreement, and will survive the execution, delivery and acceptance by the parties and (except as provided in Article Seven upon the issuance of a Certificate of Completion) will be in effect throughout the Term of the Agreement.

ARTICLE NINE: REPRESENTATIONS, WARRANTIES AND COVENANTS OF CITY

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

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

ARTICLE TEN: DEVELOPER’S EMPLOYMENT OBLIGATIONS

10.01 **Employment Opportunity.** Developer, on behalf of itself and its successors and assigns, hereby agrees, and will contractually obligate its or their various contractors, subcontractors or any Affiliate of Developer on the Project (collectively, with Developer, such parties are defined herein as the “**Employers**”, and individually defined herein as 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:

(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 will comply with all applicable 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 State Human Rights Act, 775 ILCS 5/1-101 et seq. (2006 State Bar Edition), as amended, and any subsequent amendments and regulations promulgated thereto.

(d) Each Employer, in order to demonstrate compliance with the terms of this Section, will 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 will include the foregoing provisions of subparagraphs (a) through (d) in every construction contract entered into in connection with the Project, after the Closing Date, and will require inclusion of these provisions in every subcontract entered into by any subcontractors, after the Closing Date, and every agreement with any Affiliate operating on the Property or at the Project, after the Closing Date, so that each such provision will 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 will be a basis for the City to pursue remedies under the provisions of Section 15.02 hereof, subject to the cure rights under Section 15.03.

10.02 City Resident Construction Worker Employment Requirement.

(a) Developer agrees for itself and its successors and assigns, and will contractually obligate its General Contractor and will cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they will 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 will 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 will be required to make good faith

efforts to utilize qualified residents of the City in both unskilled and skilled labor positions. Developer, the General Contractor and each subcontractor will use their respective best efforts to exceed the minimum percentage of hours stated above, and to employ neighborhood residents in connection with the Project.

(b) 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.

(c) **“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.

(d) Developer, the General Contractor and each subcontractor will provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project. Each Employer will maintain copies of personal documents supportive of every Chicago employee’s actual record of residence.

(e) Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) will be submitted to the Commissioner of HED in triplicate, which will 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.

(f) Upon 2 Business Days prior written notice, Developer, the General Contractor and each subcontractor will provide full access to their employment records related to the construction of the Project to the Chief Procurement Officer, the Commissioner of HED, 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 will maintain all relevant personnel data and records related to the construction of the Project for a period of at least 3 years after final acceptance of the work constituting the Project.

(g) At the direction of HED, 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.

(h) 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) will not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

(i) 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 Article 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 Article. 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 will be evidenced by approved contract value for the actual contracts) will 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 will 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 of Chicago 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.

(j) Nothing herein provided will 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.

(k) Developer will cause or require the provisions of this Section 10.02 to be included in all construction contracts and subcontracts related to the Project, entered into after the Closing Date.

10.03 **Developer's MBE/WBE Commitment.** Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements stated in this section, will contractually obligate the General Contractor to agree that during the construction of 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 of Chicago (the "**Procurement Program**"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (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 stated in Exhibit D-2) must be expended for contract participation by Minority-Owned Businesses ("**MBEs**") and by Women-Owned Businesses ("**WBEs**");

- (1) At least 24 percent by MBEs.
- (2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only:

(i) Developer (and any party to whom a contract is let by Developer in connection with the Project) is deemed a "**contractor**" and this Agreement (and any contract let by Developer in connection with the Project) is deemed a "**contract**" or a "**construction contract**" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(ii) The term “**minority-owned business**” or “**MBE**” 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.

(iii) The term “**women-owned business**” or “**WBE**” 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.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, 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 compliance with Section 2-92-730, Municipal Code of Chicago, Developer will not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

(d) Developer must 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 will 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 will maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least 5 years after completion of the Project, and the City’s monitoring staff will have access to all such records maintained by Developer, on 5 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 is 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 of Chicago, 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 of Chicago, as applicable.

(g) Prior to the commencement of 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 are required to attend this pre-construction meeting. During said meeting, Developer will demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which will 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, will, 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.

ARTICLE ELEVEN: ENVIRONMENTAL MATTERS

11.01 Environmental Matters. Developer hereby represents and warrants to the City that Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws.

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 Materials on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Materials 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.

ARTICLE TWELVE: INSURANCE

12.01 **Insurance Requirements.** Developer's insurance requirements are stated in Schedule B which is hereby incorporated into this Agreement by reference and made a part of this Agreement.

ARTICLE THIRTEEN: INDEMNIFICATION

13.01 **General Indemnity.** Developer agrees to indemnify, pay 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 (arising out of a third party action against the City), 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 by a third party in any manner relating to or arising out of:

- (i) Any cost overruns as described in Section 4.06; or
- (ii) Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (iii) 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
- (iv) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by Developer or its agents, employees, contractors or persons acting under the control or at the request of Developer or any affiliate of Developer; or
- (v) Developer's failure to cure any misrepresentation in this Agreement or any other document or agreement relating hereto; or
- (vi) any act or omission by Developer or any Affiliate of Developer;

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 will contribute the maximum portion that it is permitted to pay and satisfy under 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 will survive the termination of this Agreement.

ARTICLE FOURTEEN: MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 **Books and Records.** Developer will keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual costs 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, will be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at Developer's expense. Developer will not pay for salaries or fringe benefits of auditors or examiners. Developer must 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. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours of 9:00 a.m. and 5:00 p.m., Monday through Friday.

14.02 **Inspection Rights.** Upon three (3) Business Days' notice, any authorized representative of the City shall have access to all portions of the Property or the Project during normal business hours for the Term of the Agreement. The City shall provide three (3) Business Days' prior written notice to Developer in accordance with Section 17. The notice shall indicate the date and time of the inspection. All inspections shall be conducted between the hours 9:00 a.m. and 5:00 p.m., Monday through Friday.

ARTICLE FIFTEEN: 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, will constitute an "Event of Default" by Developer hereunder:

- (a) the failure of Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of Developer under this Agreement or any related agreement;
- (b) the failure of Developer 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 (including the Property or the Project), assets (including the Property or the Project), operations or condition, financial or otherwise;
- (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) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt by Developer to create, any lien or other encumbrance upon the Property or the Project, including any fixtures now or hereafter attached thereto, other than the Permitted Liens or any Permitted Mortgage, 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 Developer's ultimate parent entity, if any, or for the liquidation or reorganization of Developer or Developer's ultimate parent entity, if any, or alleging that Developer or Developer's ultimate parent entity, if any, is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of Developer's or Developer's ultimate parent entity's, if any, 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 or Developer's ultimate parent entity, if any; provided, however, that if such commencement of proceedings is involuntary, such action will not constitute an Event of Default unless such proceedings are not dismissed within 60 days after the commencement of such proceedings;

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

(g) the entry of any judgment or order against Developer, not covered by insurance for an amount in excess of \$1.0 million which remains unsatisfied or undischarged and in effect for 60 days after such entry without a stay of enforcement or execution;

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

(i) the dissolution of Developer or Developer's ultimate parent entity, if any; or

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

(k) prior to the expiration of the Term of the Agreement, the sale or transfer of all of the ownership interests of Developer without the prior written consent of the City; or

(l) The failure of Developer, or the failure by any party that is a Controlling Person (defined in Section 1-23-010 of the Municipal Code) with respect to Developer, 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.

For purposes of Section 15.01(j), hereof, a natural person with a material interest in Developer is one owning in excess of seven and a half percent (7.5%) of Developer's or Developer's ultimate parent entity, if any, issued and outstanding ownership shares or interests. For purposes of Section 15.01, "ultimate parent entity" does not mean a person or entity that is a Member of Developer.

15.02 **Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City 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, including but not limited to injunctive relief or the specific performance of the agreements contained herein. To the extent permitted by law, the City may also lien the Property.

15.03 **Curative Period.**

(a) In the event Developer fails 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 will not be deemed to have occurred unless Developer has failed to perform such monetary covenant within 10 days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant.

(b) In the event Developer fails to perform a non-monetary covenant which Developer is required to perform under this Agreement, an Event of Default will not be deemed to have occurred unless Developer has failed to cure such default within 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 30 day period, Developer will not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such 30 day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

ARTICLE SIXTEEN: MORTGAGING OF THE PROJECT

16.01 **Mortgaging of the Project.** Any and all mortgages or deeds of trust in place as of the date hereof with respect to the Property or Project or any portion thereof are listed on Exhibit I hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing, if any) and are referred to herein as the "**Existing Mortgages.**" Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof without obtaining the prior written consent of the City is referred to herein as a "**New Mortgage.**" Any mortgage or deed of trust that Developer may hereafter elect to execute and record or execute and permit to be recorded against the Property or Project or any portion thereof with the prior written consent of the City is referred to herein as a "**Permitted Mortgage.**" It is hereby agreed by and between the City and Developer as follows:

(a) If a mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof by the exercise of remedies under a mortgage or deed of trust

(other than an Existing Mortgage or a Permitted Mortgage) whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but will 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 will be entitled to no rights or benefits under this Agreement, but such party will be bound by those provisions of this Agreement that are covenants expressly running with the land comprising the Property (as defined herein).

(b) Notwithstanding any provision of this Agreement to the contrary, the exercise of the remedies of foreclosure of a mortgage or any sale of Developer's interest in the Property in connection with a foreclosure, whether by judicial proceedings or by virtue of any power of sale contained in the mortgage, or any conveyance of Developer's interest in the Property to the mortgagee or its nominee or designee by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of Developer's interest in the Property by the mortgagee or its nominee or designee, or any other exercise of remedies under the documents evidencing Lender Financing shall not require the consent or approval of the City or constitute a breach of any provision of or a default under this Agreement.

(c) If any mortgagee or any other party shall succeed to Developer's interest in the Property or any portion thereof by 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 hereunder in accordance with Section 18.15 hereof, then 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 executory obligations and liabilities of "Developer" hereunder. 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 will have no liability under this Agreement for any Event of Default of Developer which occurred prior to the time such party succeeded to the interest of Developer under this Agreement, in which case Developer will 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 hereunder, such party will be entitled to no rights and benefits under this Agreement, and such party will be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(d) Prior to the issuance by the City to Developer of a Certificate of Completion under Article Seven hereof, no New Mortgage will be executed with respect to the Property or the Project or any portion thereof without the prior written consent of the Commissioner of HED. A feature of such consent will be that any New Mortgage will subordinate its mortgage lien to the covenants in favor of the City that run with the land. After the issuance of a Certificate of Completion, consent of the Commissioner of HED is not required for any such New Mortgage.

ARTICLE SEVENTEEN: NOTICES

17.01 **Notices.** All notices and any other communications under this Agreement will: (A) be in writing; (B) be sent by: (i) telecopier/fax machine, (ii) delivered by hand,

(iii) delivered by an overnight courier service which maintains records confirming the receipt of documents by the receiving party, or (iv) registered or certified U.S. Mail, return receipt requested; (c) be given at the following respective addresses:

If to the City: City of Chicago
 Department of Housing and Economic Development
 Attn: Commissioner
 121 North LaSalle Street, Room 1000
 Chicago, IL 60602
 312/744-4190 (Main No.)
 312/744-2271 (Fax)

With Copies To: City of Chicago
 Corporation Counsel
 Attn: Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602
 312/744-0200 (Main No.)
 312/742-0277 (Fax)

If to Developer: MGM/TGI 105th Street LLC
 c/o the Terrell Group, Inc.
 PO Box 66241
 South Access Road, Building 616
 [O'Hare International Airport]
 Chicago, Illinois 60666
 312/376.0579 (Telephone)
 312/376.0036 (Fax)

With Copies To: To be determined.

or at such other address or telecopier/fax or telephone number or to the attention of such other person as the party to whom such information pertains may hereafter specify for the purpose in a notice to the other specifically captioned "Notice of Change of Address" and, (D) be effective or deemed delivered or furnished: (i) if given by telecopier/fax, when such communication is confirmed to have been transmitted to the appropriate telecopier/fax number specified in this section, and confirmation is deposited into the U.S. Mail, postage prepaid to the recipient's address shown herein; (ii) if given by hand delivery or overnight courier service, when left at the address of the addressee, properly addressed as provided above.

17.02 Developer Requests for City or HED Approval. Any request under this Agreement for City or HED approval submitted by Developer will comply with the following requirements:

(a) be in writing and otherwise comply with the requirements of Section 17.01 (Notices);

(b) expressly state the particular document and section thereof relied on by Developer to request City or HED approval;

(c) if applicable, note in bold type that failure to respond to Developer's request for approval by a certain date will result in the requested approval being deemed to have been given by the City or HED;

(d) if applicable, state the outside date for the City's or HED's response; and

(e) be supplemented by a delivery receipt or time/date stamped notice or other documentary evidence showing the date of delivery of Developer's request.

ARTICLE EIGHTEEN: ADDITIONAL PROVISIONS

18.01 **Amendments.** This Agreement and the Schedules and Exhibits attached hereto may not be modified or amended except by an agreement in writing signed by the parties; provided, however, that the City in its sole discretion, may amend, modify or supplement the Redevelopment Plan, which is Exhibit C hereto. For purposes of this Agreement, Developer is only obligated to comply with the Redevelopment Plan as in effect on the date of this Agreement. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "**material**" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental, construction or job-creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by Developer by more than 90 days.

18.02 **Complete Agreement, Construction, Modification.** This Agreement, including any exhibits and the other agreements, documents and instruments referred to herein or contemplated hereby, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous negotiations, commitments and writings with respect to such subject matter. This Agreement and the Schedules and Exhibits attached hereto may not be contradicted by evidence of prior, contemporaneous, or subsequent verbal agreements of the parties. There are no unwritten verbal agreements between the parties.

18.03 **Limitation of Liability.** No member, elected or appointed official or employee or agent of the City shall be individually, collectively or personally liable to Developer or any successor in interest to Developer in the event of any default or breach by the City or for any amount which may become due to Developer or any successor in interest, from the City 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, and to accomplish the transactions contemplated in this Agreement.

18.05 **Waivers.** No party hereto will be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by such party. No delay or omission on the part of a party in exercising any right will operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement will not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, will constitute a waiver of any of such parties' rights or of any obligations of any other party hereto as to any future transactions.

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

18.07 **Parties in Interest/No Third Party Beneficiaries.** The terms and provisions of this Agreement are binding upon and inure to the benefit of, and are enforceable by, the respective successors and permitted assigns of the parties hereto. This Agreement will 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. Nothing contained in this Agreement, nor any act of the City or Developer, will be deemed or construed by any of the parties hereto or by third persons, to create any relationship of third party beneficiary, principal, agent, limited or general partnership, joint venture, or any association or relationship involving the City or Developer.

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

18.09 **Counterparts.** This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts shall be deemed an original, must be construed together and will constitute one and the same instrument.

18.10 **Counterpart Facsimile Execution.** For purposes of executing this Agreement, a document signed and transmitted by facsimile machine will be treated as an original document. The signature of any party thereon will be considered as an original signature, and the document transmitted will be considered to have the same binding legal effect as an original signature on an original document. At the request of either party, any facsimile document will be re-executed by other parties in original form. No party hereto may raise the use of a facsimile machine as a defense to the enforcement of this Agreement or any amendment executed in compliance with this section. This section does not supersede the requirements of Article Seventeen: Notices.

18.11 **Severability.** If any provision of this Agreement, or the application thereof, to any person, place or circumstance, is 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 will remain in full force and effect only if, after excluding the

portion deemed to be unenforceable, the remaining terms will provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth herein. In such event, the parties will negotiate, in good faith, a substitute, valid and enforceable provision or agreement which most nearly affects the parties' intent in entering into this Agreement.

18.12 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances in effect as of the date of this Agreement, such ordinance(s) will prevail and control.

18.13 **Governing Law.** This Agreement is governed by and construed in accordance with the internal laws of the State, without regard to its conflicts of law principles.

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

18.15 **Assignment.** Prior to the issuance by the City to Developer of a Certificate of Completion, 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, however, that Developer may assign, on a collateral basis, the right to receive City Funds to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date. Any successor in interest to Developer under this Agreement (excluding any Lender that has been assigned only the right to received City Funds on a collateral basis) will certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.16 (Real Estate Provisions) and Section 8.25 (Survival of Covenants) hereof, for the Term of the Agreement. Developer hereby consents to the City's assignment or other transfer of this Agreement at any time in whole or in part.

18.16 **Binding Effect.** This Agreement is binding upon Developer, the City and their respective successors and permitted assigns (as provided herein) and will inure to the benefit of Developer, the City and their respective successors and permitted assigns (as provided herein).

18.17 **Force Majeure.** Neither the City nor Developer nor any successor in interest to either of them will 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, war, acts of terrorism, imposition of martial law, plague or other illness, bank holidays or stock or commodity exchange closures or wire transfer interruptions, civil disorders, rebellions or revolutions, strike, shortage of material, power interruptions or blackouts, fuel shortages or rationing, 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, except to the extent that, the non-performing party is at fault in failing to prevent or causing such default or delay; and provided that such default or delay can not reasonably be circumvented by the non-performing party through the use of alternative sources, work around plans or other means. The individual or entity relying on this section with respect to any such delay will, upon the occurrence of the event causing such delay, immediately give written notice

to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

18.18 **Exhibits and Schedules.** All of the exhibits and schedules to this Agreement are incorporated herein by reference. Any exhibits and schedules to this Agreement will be construed to be an integral part of this Agreement to the same extent as if the same has been set forth verbatim herein.

18.19 **Business Economic Support Act.** Under the Business Economic Support Act (30 ILCS 760/1 et seq. (2006 State Bar Edition), as amended), if Developer is required to provide notice under the WARN Act, Developer will, 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 herein.

18.20 **Approval.** Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, HED or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate of Completion or otherwise administering this Agreement for the City.

18.21 **Construction of Words.** The use of the singular form of any word herein includes the plural, and vice versa. Masculine, feminine and neuter pronouns are fully interchangeable, where the context so requires. The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision. The term "include" (in all its forms) means "include, without limitation" unless the context clearly states otherwise. The word "shall" means "has a duty to."

18.22 **Date of Performance.** If any date for performance under this Agreement falls on a Saturday, Sunday or other day which is a holiday under Federal law or under State Law, the date for such performance will be the next succeeding Business Day.

18.23 **Survival of Agreements.** All covenants and agreements of the parties contained in this Agreement will survive the Closing Date in accordance with the provisions of this Agreement.

18.24 **Equitable Relief.** In addition to any other available remedy provided for hereunder, at law or in equity, to the extent that a party fails to comply with the terms of this Agreement, any of the other parties hereto shall be entitled to injunctive relief with respect

thereto, without the necessity of posting a bond or other security, the damages for such breach hereby being acknowledged as unascertainable.

18.25 **Venue and Consent to Jurisdiction.** 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 and the United States District Court for the Northern District of Illinois.

18.26 **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 attorneys' fees, incurred in connection with the enforcement of the provisions of this Agreement but only if the City is determined to be the prevailing party in an action for enforcement. This includes, subject to any limits under applicable law, reasonable attorneys' fees and legal expenses, whether or not there is a lawsuit, including reasonable attorneys' 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.

[The remainder of this page is intentionally left
blank and the signature page follows]

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

MGM/TGI 105TH STREET LLC, an Illinois limited liability company

By: _____

Printed
Name: _____

Title: _____

CITY OF CHICAGO

By: _____

Commissioner,
Department of Housing and Economic Development

STATE OF _____)
) SS
COUNTY OF _____)

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 _____ of MGM/TGI 105th Street
LLC, an Illinois limited liability company, (the “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 he/she signed, sealed, and delivered said instrument,
pursuant to the authority given to him/her by Developer, as his/her 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 _____, 2012.

Notary Public

My Commission Expires _____

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, William A. Nyberg, 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 the Department of Housing and Economic 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 him/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 _____, 2012.

Notary Public

My Commission Expires _____

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

SCHEDULE A

DEFINITIONS

For purposes of this Agreement the following terms shall have the meanings stated forth below:

“105th Street and Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund” means the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes (as defined below) will be initially deposited and then redeposited, together with any ported funds, to the MGM/TGI 105th Street LLC Developer Account.

“119th Street/I-57 Prior Obligations” means only the following City obligations: (i) for Renaissance Estates, pursuant to Ordinance adopted November 12, 2003; (ii) for NIF, pursuant to Ordinance adopted March 29, 2006; (iii) for Marshfield Plaza, pursuant to Ordinance adopted June 17, 2007; (iv) for the Small Business Improvement Fund, pursuant to Ordinance adopted December 31, 2007; and (v) for Blackwelder Park Improvements, pursuant to Ordinance adopted November 17, 2010.

“2006 RDA” has the meaning defined in Article Two-A.

“Act” has the meaning defined in Recital B.

“Actual Residents of the City” has the meaning defined for such phrase in Section 10.02(c).

“Affiliate(s)” 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 person 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.

“Affordable Housing Ordinance” has the meaning defined in Section 3.14.

“Agreement” has the meaning defined in the Agreement preamble.

“AMI” has the meaning defined in Section 3.14.

“Annual Compliance Report” shall mean a signed report from Developer to the City: (a) itemizing each of Developer’s obligations under the 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 beyond applicable notice and cure periods 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 8.11); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.12); (4) delivery of evidence of Developer’s compliance with the green construction requirements of Section 3.15(c); and (5) compliance with all other executory provisions of the RDA.

“Available Incremental Taxes” has the meaning defined in Section 4.03(d).

“Bonds” has the meaning defined in Section 8.05.

“Bond Ordinance” means the City Ordinance authorizing the issuance of Bonds.

“Bundle” has the meaning defined in Section 8.24.

“Business Day” means any day other than Saturday, Sunday or a legal holiday in the State.

“Certificate of Completion” has the meaning defined in Section 7.01.

“Change Order” means any amendment or modification to the Scope Drawings, the Plans and Specifications, or the Project Budget (all as defined below) within the scope of Section 3.03, 3.04 and 3.05.

“City” has the meaning defined in the Agreement preamble.

“City Contract” has the meaning defined in Section 8.01(l).

“City Council” means the City Council of the City of Chicago as defined in Recital C.

“City Funds” means the funds described in Section 4.03(a).

“City Group Member” has the meaning defined in Section 8.20.

“City Note” has the meaning defined in Section 4.03(c).

“City Requirements” has the meaning defined in Section 3.07.

“City Recapture Mortgage” has the meaning defined in Section 3.14.

“Closing Date” means 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.

“Commissioner” or **“Commissioner of HED”** means that individual holding the office and exercising the responsibilities of the Commissioner or Acting Commissioner of the City’s Department of Housing and Economic Development and any successor City Department.

“Construction Contract” means that certain contract substantially in the form of Exhibit G, to be entered into between Developer and the General Contractor (as defined below) providing for construction of, among other things, the TIF-Funded Improvements. The parties to this Agreement may agree that the Construction Contract may be provided after Closing Date.

“Construction Program” has the meaning defined in Section 10.03(a).

“Contractors” has the meaning defined in Section 8.24.

“Contribution” has the meaning defined in Section 8.24.

“Corporation Counsel” means the City’s Department of Law.

“Developer” has the meaning defined in the Agreement preamble.

“Dispersed Lots” has the meaning defined in Recital D.

“Domestic Partners” has the meaning defined in Section 8.24.

“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)” has the meaning defined in Section 10.01.

“Environmental Laws” means any and all Federal, State or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called “Superfund” or “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below), and including the following Municipal Code Sections: 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550 or 11-4-1560.

“Equity” means funds of Developer (other than funds derived from Lender Financing (as defined below)) irrevocably available for the Project, in the amount stated in Section 4.01 hereof, which amount may be increased under Section 4.06 (Cost Overruns).

“Event of Default” has the meaning defined in Section 15.01.

“Excess Profit” has the meaning defined in Section 4.05(c).

“Existing Mortgages” has the meaning defined in Section 16.01.

“Expansion Ordinance” has the meaning described in Section 5.16.

“Financial Statements” means the financial statements regularly prepared by Developer, if any, and including, but not limited to, a balance sheet, income statement and cash-flow statement, in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods, for business enterprises operating for profit in the United States of America, and also includes financial statements (both audited and unaudited) prepared by a certified public accountant, together with any audit opinion and management letter issued by Developer’s auditor.

“General Contractor” means the general contractor(s) hired by Developer under Section 6.01.

“Governmental Charge” has the meaning defined in Section 8.16(a)(i).

“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 Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

“HED” has the meaning defined in the Agreement preamble.

“Human Rights Ordinance” has the meaning defined in Section 10.01(a).

“Identified Parties” has the meaning defined in Section 8.24.

“Incremental Taxes” means 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 for deposit by the Treasurer into a special tax allocation fund established to pay Redevelopment Project Costs (as defined below) and obligations incurred in the payment thereof, such fund for the purposes of this Agreement being the 105th Street and Vincennes Avenue Redevelopment Project Area Special Tax Allocation Fund.

“Indemnitee” and **“Indemnites”** have the respective meanings defined in Section 13.01.

“Infrastructure Construction” has the meaning defined in Recital D.

“**Labor Department**” has the meaning defined in Section 8.08.

“**Lender**” has the meaning defined in Section 3.08. As of the date hereof, the only Lender is _____.

“**Lender Financing**” means funds borrowed by Developer from lenders, if any, and available to pay for costs of the Project, in the amount stated in Section 4.01.

“**Mayor**” has the meaning defined in Section 8.24.

“**MBE(s)**” has the meaning defined in Section 10.03(b).

“**MBE/WBE Program**” has the meaning defined in Section 10.03(a).

“**Minimum Assessed Value**” has the meaning defined in Section 8.16(c)(i).

“**Minority-Owned Business**” has the meaning defined in Section 10.03(b).

“**MMD**” has the meaning defined in Section 4.03(b).

“**MOPD**” has the meaning defined in Section 3.13.

“**Municipal Code**” means the Municipal Code of the City of Chicago as presently in effect and as hereafter amended from time to time.

“**New Mortgage**” has the meaning defined in Section 16.01.

“**Non-Governmental Charges**” means all non-governmental charges, liens, claims, or encumbrances relating to Developer, the Property or the Project.

“**Other Contract**” has the meaning defined in Section 8.24.

“**Owners**” has the meaning defined in Section 8.24.

“**Park District**” has the meaning defined in Section 3.15.

“**Park Site**” has the meaning defined in Recital D.

“**Pay-As-You-Go TIF Payments**” has the meaning defined in Section 4.03(d).

“**PD1008**” has the meaning defined in Recital E.

“**Permitted Liens**” means those liens and encumbrances against the Property and/or the Project stated in Exhibit I.

“**Permitted Mortgage**” has the meaning defined in Section 16.01.

“**Phase 1 Property**” has the meaning defined in Recital D.

“Plan Adoption Ordinance” has the meaning defined in Recital C.

“Plans and Specifications” means 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.

“Political fundraising committee” has the meaning defined in Section 8.25.

“Prior Expenditure(s)” has the meaning defined in Section 4.04.

“Procurement Program” has the meaning defined in Section 10.03(a).

“Project” has the meaning defined in Recital D.

“Project Budget” means the budget stated in Exhibit D-1, showing the total cost of the Project by line item, as furnished by Developer to HED, in accordance with Section 3.03.

“Property” has the meaning defined in Recital D.

“Redevelopment Area” means the 105th Street and Vincennes Avenue Redevelopment Project Area as legally described in Exhibit A, and defined in Recital C.

“Redevelopment Plan” has the meaning defined in Recital E.

“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 stated in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

“Requisition Form” has the meaning defined in Section 4.03(a).

“Scope Drawings” means preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

“State” means the State of Illinois as defined in Recital A.

“Sub-Owners” has the meaning defined in Section 8.24.

“Survey” means a plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property meeting the 2011 minimum standard detail requirements for ALTA/ACSM Land Title Surveys, effective February 23, 2011, 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, 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 any updates thereof to reflect improvements to the Property as required by the City or the lender(s) providing Lender Financing, if any).

“Term of the Agreement” means the period of time commencing on the Closing Date and ending on December 31, 2025 (such date being the last date of the calendar year in which

taxes levied in the year that is 23 years after the creation of the Redevelopment Area are paid) or such later date as the Redevelopment Area expires in accordance with the TIF Ordinances.

“TIF Adoption Ordinance” has the meaning stated in Recital C.

“TIF Bonds” has the meaning defined for such term in Recital F.

“TIF Bond Ordinance” has the meaning stated in Recital F.

“TIF Bond Proceeds” has the meaning stated in Recital F.

“TIF District Administration Fee” has the meaning described in Section 4.05(b).

“TIF Expansion Study Account” has the meaning described in Section 5.16.

“TIF-Funded Improvements” means those improvements of the Project listed in Exhibit E, all of which have been determined by the City prior to the date hereof to be qualified Redevelopment Project Costs and costs that are eligible under the Redevelopment Plan for reimbursement by the City out of the City Funds, subject to the terms of this Agreement.

“TIF Ordinances” has the meaning stated in Recital C.

“Title Company” means that Chicago Title Insurance Company or such other title insurance company agreed to by Developer and the City.

“Title Policy” means a title insurance policy in the most recently revised ALTA or equivalent form, showing 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.

“Under Assessment Complaint” has the meaning set forth in Section 8.16(c)(iii).

“WARN Act” means the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

“WBE(s)” has the meaning defined in Section 10.03(b).

“Women-Owned Business” has the meaning defined in Section 10.03(b).

105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

SCHEDULE B

ARTICLE TWELVE: INSURANCE REQUIREMENTS

12.01 **Insurance.** Developer will provide and maintain, or cause to be provided and maintained, at Developer's own expense, during the Term of this Agreement, the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

(a) Prior to Execution and Delivery of this Agreement

(i) Workers' Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement in statutorily prescribed limits and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.

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

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

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

(i) Workers Compensation and Employers Liability Insurance

Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement in statutorily prescribed limits and Employers

Liability coverage with limits of not less than \$500,000 each accident or illness.

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

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of 2 years following Project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

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

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or rail transit property or within 50 feet of railroad or rail transit property, contractor must provide, or cause to be provided with respect to the operations that the contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk Builders Risk Insurance

When the contractor undertakes any construction, including improvements, betterments, and/or repairs, Developer must cause each contractor to provide, or cause to be provided All Risk Blanket Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable, flood including surface water backup. The City will be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Developer must cause such parties to maintain Professional Liability Insurance covering acts, errors, or omissions which shall be maintained with limits of not less than \$1,000,000. Coverage must include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work performed in connection with this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of 2 years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement by Developer's architects, contractors, sub-contractors, project managers and other parties constructing the Project, Developer will cause such parties to maintain Valuable Papers Insurance which must be maintained in an amount to insure against any loss whatsoever, and which must have limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

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

(ix) Blanket Crime

Developer must provide Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, destruction or disappearance, computer fraud, credit card forgery, and other related crime risks. The policy limit must 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.

(c) Other Insurance Required.

(i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of

the full replacement value of the Project. The City is to be named as an additional insured.

- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Project. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City is to be named as an additional insured.

(d) Other Requirements

- (i) Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street, Chicago, Illinois 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the Term of this Agreement. Developer will submit evidence of insurance on the City Insurance Certificate Form or commercial equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer must not be deemed to be a waiver by the City. Developer will advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance will not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.
- (ii) The insurance will provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.
- (iii) Any and all deductibles or self insured retentions on referenced insurance coverages are borne by Developer.
- (iv) Developer agrees that insurers must waive rights of subrogation against the City, its employees, elected officials, agents, or representatives.
- (v) Developer expressly understands and agrees that any coverages and limits furnished by Developer will in no way limit Developer's liabilities and responsibilities specified within the Agreement documents or by law.
- (vi) Developer expressly understands and agrees that Developer's insurance is primary and any insurance or self insurance programs maintained by the

City will not contribute with insurance provided by Developer under the Agreement.

- (vii) The required insurance will not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.
- (viii) Developer will require its general contractor and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the contractor or subcontractors. All contractors and subcontractors will be subject to the same requirements of Developer unless otherwise specified herein.
- (ix) If Developer, contractor or subcontractor desires additional coverages, Developer, contractor and each subcontractor will be responsible for the acquisition and cost of such additional protection.
- (x) The City Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as such action does not, without Developer's written consent, increase such requirements.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT A

REDEVELOPMENT AREA LEGAL DESCRIPTION

A legal description of the Redevelopment Area is attached to this Exhibit Cover Sheet.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-1

LEGAL DESCRIPTION OF THE PHASE 1 PROPERTY

A legal description of the Phase 1 Property will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT.**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-2

LEGAL DESCRIPTION OF THE PROPERTY

(Metes and Bounds Legal Description to be attached at Closing)

<u>PIN</u>	<u>Lot #</u>	<u>PIN</u>	<u>Lot #</u>
25-17-121-001-0000	79	25-17-122-025-0000	38
25-17-121-003-0000	81	25-17-122-026-0000	39
25-17-121-004-0000	82	25-17-122-027-0000	40
25-17-121-005-0000	83	25-17-122-028-0000	41
25-17-121-007-0000	85	25-17-122-029-0000	42
25-17-121-008-0000	86	25-17-122-030-0000	43
25-17-121-010-0000	102	25-17-122-031-0000	44
25-17-121-011-0000	103	25-17-122-035-0000	48
25-17-121-012-0000	104	25-17-122-036-0000	49
25-17-121-013-0000	105	25-17-122-037-0000	50
25-17-121-015-0000	107	25-17-122-039-0000	52
25-17-121-022-0000	114	25-17-122-040-0000	53
25-17-121-023-0000	115	25-17-122-042-0000	55
25-17-121-024-0000	116	25-17-122-043-0000	56
25-17-121-025-0000	117	25-17-122-046-0000	59
25-17-121-026-0000	118	25-17-123-001-0000	A
25-17-121-027-0000	119	25-17-124-001-0000	16
25-17-121-028-0000	120	25-17-124-002-0000	17
25-17-121-029-0000	121	25-17-124-003-0000	18
25-17-121-030-0000	122	25-17-124-004-0000	19
25-17-122-001-0000	4	25-17-124-005-0000	20
25-17-122-002-0000	5	25-17-124-006-0000	21
25-17-122-003-0000	6	25-17-124-007-0000	22
25-17-122-004-0000	7	25-17-124-008-0000	23
25-17-122-005-0000	8	25-17-124-009-0000	24
25-17-122-006-0000	9	25-17-124-010-0000	25
25-17-122-007-0000	10	25-17-124-011-0000	60
25-17-122-008-0000	11	25-17-124-014-0000	63
25-17-122-012-0000	15	25-17-124-015-0000	64
25-17-122-013-0000	26	25-17-124-016-0000	65
25-17-122-014-0000	27	25-17-124-017-0000	66
25-17-122-015-0000	28	25-17-124-018-0000	67
25-17-122-016-0000	29	25-17-124-019-0000	68
25-17-122-017-0000	30	25-17-124-020-0000	69
25-17-122-018-0000	31	25-17-124-022-0000	71
25-17-122-019-0000	32	25-17-124-023-0000	72
25-17-122-020-0000	33	25-17-124-026-0000	75
25-17-122-021-0000	34	25-17-124-027-0000	76
25-17-122-022-0000	35	25-17-124-028-0000	77
25-17-122-023-0000	36	25-17-125-001-0000	1
25-17-122-024-0000	37	25-17-125-002-0000	2
		25-17-125-003-0000	3

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-3

**LEGAL DESCRIPTION OF THE DISPERSED LOTS
(Metes and Bounds Legal Description to be attached at Closing)**

<u>PIN</u>	<u>Lot #</u>
25-17-121-006-0000	84
25-17-121-009-0000	87
25-17-121-014-0000	106
25-17-121-018-0000	110
25-17-121-019-0000	111
25-17-121-020-0000	112
25-17-121-021-0000	113
25-17-122-009-0000	12
25-17-122-010-0000	13
25-17-122-011-0000	14
25-17-122-033-0000	46
25-17-122-034-0000	47
25-17-122-038-0000	54
25-17-122-045-0000	58
25-17-124-012-0000	61
25-17-124-013-0000	62
25-17-124-024-0000	73
25-17-124-029-0000	78

105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA

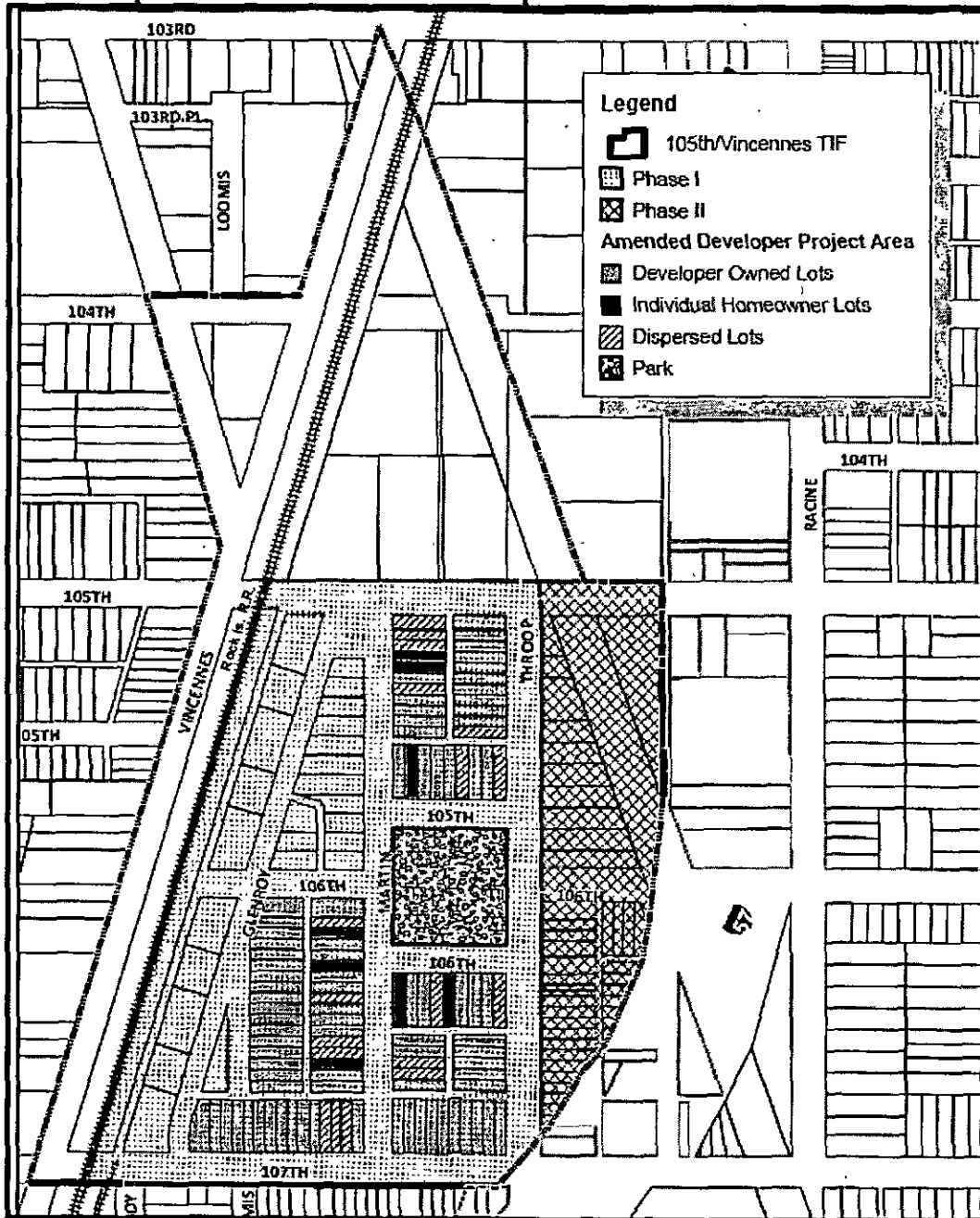
MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT

Amended and Restated Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-4

SITE PLAN FOR THE PROJECT

Note: The "Property," as further described in the attached Redevelopment Agreement, consists of only the 82 Developer Owned Lots and Park Site depicted below.



**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____; 2012

EXHIBIT B-5

AFFORDABLE SALES PRICES

A Schedule of Affordable Sales Prices will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT B-6

PLANNED DEVELOPMENT 1008

A copy of Planned Development 1008 will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT C

REDEVELOPMENT PLAN

A true and correct copy of the 105th Street and Vincennes Avenue Redevelopment Project Area, Tax Increment Finance Program, Redevelopment Plan and Project dated May 12, 1997 and revised September 20, 2001, and passed by City Council on October 3, 2001, and any amendments thereto as of the Closing Date will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT D-1

PROJECT BUDGET

	TOTAL
Land Acquisition	\$ 7,748,469
Site work, clearing and grading of land, infrastructure and public works or improvements (roadways, streetscape, lighting, park, etc.)	\$ 10,155,433
Hard costs in connection with the construction of residential units (foundation to finishes)	\$ 22,640,720
Soft Costs (professional fees, surveys, marketing, etc.)	\$ 6,321,598
<u>Financing & Interest Expense</u>	<u>\$ 2,750,000</u>
<u>TOTAL</u>	<u>\$ 49,616,220</u>

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT D-2

CONSTRUCTION (MBE/WBE) BUDGET

	TOTAL*	MBE 24%	WBE 4%
Land Acquisition	n/a	n/a	n/a
Site work, clearing and grading of land, infrastructure and public works or improvements (roadways, streetscape, lighting, park, etc.)	\$10,155,433	\$2,437,304	\$406,217
Hard costs in connection with the construction of residential units (foundation to finishes)	\$22,640,720	\$5,433,773	\$905,629
Soft Costs (professional fees, surveys, marketing, etc.)	\$5,775,598	\$1,386,144	\$231,024
Financing & Interest Expense	n/a	n/a	n/a
<u>TOTAL</u>	<u>\$38,571,751</u>	<u>\$9,257,221</u>	<u>\$1,542,870</u>

*Total Costs subject to MBE/WBE Requirements

Actual MBE/WBE expenditures may vary among budgeted line items. However, the Total Actual MBE/WBE expenditures will equal or exceed the Total MBE/WBE budget.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA
MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT E

SCHEDULE OF TIF-FUNDED IMPROVEMENTS

Land Acquisition	\$ 7,748,469
Site work, clearing and grading of land, infrastructure and public works or improvements (roadways, streetscape, lighting, park, etc.)	\$10,155,433
Soft Costs (professional fees, surveys, marketing, etc.)	\$ 1,108,478
<u>Financing & Interest Expense</u>	<u>\$ 2,750,000</u>
<u>TOTAL</u>	<u>\$21,762,380</u>

Note: Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to not more than \$11,900,000.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT F

RESERVED

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT G

CONSTRUCTION CONTRACT

The construction contract for the Project will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT H

APPROVED PRIOR EXPENDITURES

A Schedule of Approved Prior Expenditures
will be attached to this Exhibit Cover Sheet at Closing

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT I

PERMITTED LIENS

1. Liens or encumbrances against the Property (and related improvements):

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

2. Liens or encumbrances against Developer or the Project, other than liens against the Property (and related improvements), if any:

NONE

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT J

FORM OF OPINION OF DEVELOPER'S COUNSEL

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

_____, 2012

City of Chicago
City Hall, Room 600
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

We have acted as counsel to MGM/TGI 105th Street LLC, an Illinois limited liability company, in connection with the construction of certain improvements on the property in the 105th Street and Vincennes Avenue Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

- (a) MGM/TGI 105th Street LLC Redevelopment Agreement (the "Agreement") of even date herewith, executed by Developer and the City of Chicago (the "City"); and
- (b) all other agreements, instruments and documents executed in connection with the foregoing.

In addition to the foregoing, we have examined

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

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

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

Based on the foregoing, it is our opinion that:

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

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

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

4. Each of the Documents to which Developer is a party has been duly executed and delivered by a duly authorized officer of Developer, and each such Document constitutes the legal, valid and binding obligation of Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. Exhibit A attached hereto (a) identifies the members of Developer and the number of membership interests held by each member. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the

equity of Developer. Each outstanding membership interest of Developer is duly authorized, validly issued, fully paid and non-assessable.

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

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

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

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

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

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America or the laws of the State of Illinois.

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

Very truly yours,

By: _____
Name: _____

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT K

PARK SITE PLAN

The Park Site Plan will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT L

FORM OF PAYMENT AND PERFORMANCE BOND

A form of payment and performance bond will be attached to this Exhibit Cover Sheet at Closing.

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT M

FORM OF CERTIFICATE OF EXPENDITURE AND CITY NOTE

A form of the Certificate of Expenditure and City Note are attached to this Exhibit Cover
Sheet

CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2012

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$3,200,000 Tax Increment Allocation Revenue Note
(MGM/TGI 105th Street LLC Redevelopment Project),
Taxable Series A (the "City Note")

This Certificate is submitted to you, as Registered Owner of the City Note, pursuant to the Ordinance of the City authorizing the execution of the City Note adopted by the City Council of the City on _____, 2012 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that \$3,200,000 is advanced as principal under the City Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note is \$3,200,000.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2012.

CITY OF CHICAGO

By: _____ Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

TAXABLE SERIES A
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
\$3,200,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

Registered Owner: MGM/TGI 105th Street LLC, an Illinois limited liability company
Interest Rate: ___% per annum (but not more than 8.50%)
Issue Date: _____, 2012
Principal Amount: \$3,200,000
Maturity Date: December 31, 2025, unless extended in accordance with Section 4.03 of the attached Redevelopment Agreement

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from those certain Pledged Revenues hereinafter identified, the principal amount of this Note (\$3,200,000) and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Issue Date specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above beginning on February 1st of each year until paid. Principal of and interest on this Note are payable annually on February 1st of each year in accordance with the attached amortization schedule from the following City Funds: (i) first from funds within the 119th Street/I-57 Redevelopment Project Area in accordance with Section

4.03(c)(v)(A) of the Redevelopment Agreement, as defined below; (ii) only in the event such reported funds are insufficient to pay the amounts of principal and interest under the Note when due, from Available Incremental Taxes in accordance with Section 4.03(c)(v)(B) of the Redevelopment Agreement.

As described in the Redevelopment Agreement dated as of _____, 2012 (the "Redevelopment Agreement") between the City and Developer, Developer has agreed to construct the Project (as defined in the Redevelopment Agreement) and to advance funds under the TIF Act for certain eligible redevelopment project costs related to the Project. Prior to the date hereof, Developer has expended no less than \$3,200,000 for such redevelopment project costs, as evidenced by the certificate of expenditure executed by the City in accordance with the Redevelopment Agreement and attached hereto (the "Certificate of Expenditure").

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

This Note is issued by the City in fully registered form in the aggregate principal amount of \$3,200,000 for advances made prior to the date hereof by MGM/TGI 105th Street LLC, an Illinois limited liability company (the “Developer”) for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer in connection with the redevelopment of property in the 105th Street and Vincennes Avenue Redevelopment Project Area (the “Redevelopment Area”) in the City, with such redevelopment work and related construction being defined as the “Infrastructure Project”, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the “TIF Act”), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2012 (the “Ordinance”), in all respects as by law required.

The City has assigned and pledged in the Redevelopment Agreement certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the 119th Street/I-57 Redevelopment Project Area and from the Redevelopment Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. The revenues so pledged are described in Section 4.03 of the Redevelopment Agreement and defined herein as the “Pledged Revenues”. Reference is hereby made to the Ordinance for a description, among others, with respect to the determination, custody and application of said Pledged Revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM

THE PLEDGED REVENUES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER OR REGISTERED ASSIGNS HEREOF ONLY AGAINST SAID PLEDGED REVENUES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER AND REGISTERED ASSIGNS OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.

The principal of this Note is subject to prepayment and/or redemption at any time without premium or penalty.

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

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

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

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

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)
Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

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

This Note is described in the within mentioned Ordinance and is the \$3,200,000 Tax Increment Allocation Revenue Note (MGM/TGI 105th Street LLC Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

TAXABLE SERIES A
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
\$3,200,000

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

NO. R-1

FORM OF ASSIGNMENT

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

Dated: _____
Registered Owner

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

Signature Guaranteed: _____

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

Consented to as of: _____

City of Chicago, Illinois

By: _____
Title _____, Department of
Housing and Economic Development

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

NO. R-1

PAYMENT AND AMORTIZATION SCHEDULE

Payment and Amortization Schedule to be attached to this Cover Sheet at Closing

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT N

CITY FUNDS REQUISITION FORM

A form of the City Funds Requisition Form is attached to this Exhibit Cover Sheet.

REQUISITION FORM

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The affiant, MGM/TGI 105th Street LLC, ("Developer"), hereby certifies that with respect to that certain MGM/TGI 105th Street LLC Amended and Restated Redevelopment Agreement between Developer and the City of Chicago dated as of _____, 2012 (the "Redevelopment Agreement"):

A. Expenditures for the Project, in the total amount of \$ _____, have been made:

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

\$ _____

C. Developer requests reimbursement for the following cost of TIF-Funded Improvements:

\$ _____

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

E. Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and 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 Redevelopment Agreement.

MGM/TGI 105th Street LLC, an Illinois
limited liability company

By: _____

Printed
Name: _____

Title: _____

Subscribed and sworn before me this ____
day of _____.

My commission expires: _____

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT O

FORM OF CITY SUBORDINATION AGREEMENT

This document prepared by and after recording return to:
William A. Nyberg, Esq.
Assistant Corporation Counsel
Department of Law
121 North LaSalle Street, Room 600
Chicago, IL 60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of, _____ between the City of Chicago by and through its Department of Housing and Economic Development (the "City"); [Name Lender], a [national banking association] (the "Lender").

WITNESSETH:

WHEREAS, [description of the Project]

WHEREAS, [description of financing and security documents] as part of obtaining financing for the Project, Developer (the "Borrower"), have entered into a certain Construction Loan Agreement dated as of _____, 200__ with the Lender pursuant to which the Lender has agreed to make a loan to the Borrower in an amount not to exceed \$ _____ (the "Loan"), which Loan is evidenced by a Mortgage Note and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i) Mortgage dated _____, 200__ and recorded _____, 200__ as document number _____ made by the Borrower to the Lender; and (ii) other security (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

WHEREAS, Developer desires to enter into a certain Redevelopment Agreement dated the date hereof with the City in order to obtain additional financing for the Project (the "Redevelopment Agreement," referred to herein along with various other agreements and documents related thereto as the "City Agreements");

WHEREAS, pursuant to the Redevelopment Agreement, Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 8.02 and 8.16 of the Redevelopment Agreement (the "City Encumbrances");

WHEREAS, the City has agreed to enter into the Redevelopment Agreement with Developer as of the date hereof, subject, among other things, to (a) the execution by Developer of the Redevelopment Agreement and the recording thereof as an encumbrance against the Property; and (b) the agreement by the Lender to subordinate their respective liens under the Loan Documents to the City Encumbrances; and

NOW, THEREFORE, for good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the Lender and the City agree as hereinafter set forth:

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit any of the Lender's other rights or other priorities under the Loan Documents, including without limitation the Lender's right to receive, and Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein. Furthermore, nothing herein shall have any effect whatsoever on the respective rights, obligation and covenants of the Lender and the City under that certain Redevelopment Agreement dated _____, 2012. The liabilities and obligations of the Lender with respect to the City Encumbrances and the City Agreements shall be as set forth in Section 16 of the Redevelopment Agreement.

2. Notice of Default. The Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to the Lender, (a) copies of any notices of default which it may give to Developer with respect to the Project pursuant to the Loan Documents or the City Agreements, respectively, and (b) copies of waivers, if any, of Developer's default in connection therewith. Under no circumstances shall Developer or any third party be entitled to rely upon the agreement provided for herein. Failure of either party to deliver such notices or waivers shall in no instance alter the rights or remedies of such party under the Loan Documents or the City Agreements.

3. Waivers. No waiver shall be deemed to be made by the City or the Lender of any of their respective rights hereunder, unless the same shall be in writing, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the City or the Lender in any other respect at any other time.

4. Governing Law; Binding Effect. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the internal laws and decisions of the State of Illinois, without regard to its conflict of laws principles, and shall be binding upon and inure to the benefit of the respective successors and assigns of the City and the Lender.

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

6. Notices. Any notice required hereunder shall be in writing and addressed to the party to be notified as follows:

If to the City: City of Chicago
 Department of Housing and Economic 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

If to the Lender: _____

 Attention: _____

With a copy to: _____

 Attention: _____

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Subordination Agreement has been signed as of the date first written above.

[LENDER], [a national banking association]

By: _____

Its: _____

CITY OF CHICAGO

By: _____

Its: _____ Commissioner,
Department of Housing and Economic
Development

ACKNOWLEDGED AND AGREED TO
THIS ___ DAY OF _____, ____

[Developer], a _____

By: _____

Its: _____

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 Commissioner of the Department of Housing and Economic Development of the City of Chicago, Illinois (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 as such _____ Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial 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 _____ of [Lender], a _____, 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 Lender, as his/her free and voluntary
act and as the free and voluntary act of the Lender, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires _____

(SEAL)

EXHIBIT A - LEGAL DESCRIPTION

**105th STREET AND VINCENNES AVENUE
REDEVELOPMENT PROJECT AREA**

**MGM/TGI 105th STREET LLC
REDEVELOPMENT PROJECT**

Amended and Restated
Redevelopment Agreement
dated as of _____, 2012

EXHIBIT P

FORM OF CITY RECAPTURE MORTGAGE

The form of the City Recapture Mortgage is attached to this Exhibit Cover Sheet.

CITY RECAPTURE MORTGAGE

This instrument prepared by
and after recording return to:

Department of Law
City of Chicago
Room 600
121 North LaSalle Street
Chicago, Illinois 60602

MORTGAGE, SECURITY AND RECAPTURE AGREEMENT, INCLUDING RESTRICTIVE COVENANTS

THIS MORTGAGE, SECURITY AND RECAPTURE AGREEMENT, INCLUDING RESTRICTIVE COVENANTS ("this Mortgage") is made as of this ___ day of _____, 200__ from _____ ("Mortgagor"), to the CITY OF CHICAGO, an Illinois municipal corporation, having its principal office at City Hall, 121 N. LaSalle Street, Chicago, Illinois 60602 (the "City" or "Mortgagee").

RECITALS

WHEREAS, Mortgagor is on the date hereof purchasing from the Initial Seller: (i) that certain real property legally described on Exhibit A attached hereto and a single family home or townhome located thereon, or (ii) that certain condominium unit as described on Exhibit A attached hereto (the property described on Exhibit A hereto is hereinafter referred to as the "Home") (certain terms used herein and not otherwise defined are defined on Exhibit B attached hereto); and

WHEREAS, Mortgagor is purchasing the Home for the Purchase Price, based on the Base Purchase Price plus upgrades, if any; and

WHEREAS, the City's TIF Contribution was conditioned upon, among other things, the requirement that the Home be subject to the Affordability Requirements that shall be imposed as encumbrances and as covenants running with the land; and

WHEREAS, the Affordability Requirements are necessary to implement certain requirements of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., and the City's TIF Affordability Guidelines; and

WHEREAS, the Affordability Requirements require that, among other things, with respect to the initial sale of the Home, with respect to which this Mortgage is being granted, and (unless Mortgagor is permitted and elects to repay to the City the City Subsidy Recapture Amount) with respect to each subsequent resale of the Home thereafter during the Recapture Period, such Home may be sold only to a Qualified Household at an Affordable Price; and

WHEREAS, Mortgagor's household is a Qualified Household and the Purchase Price is an Affordable Price; and

WHEREAS, Mortgagor acknowledges and agrees that the Base Purchase Price is less than the fair market price for the Home by an amount equal to the City Subsidy Amount, as evidenced by contemporaneous or projected sales of comparable units; and

WHEREAS, Mortgagor is able to purchase the Home for less than its fair market value because of the City's TIF Contribution, which has subsidized a portion of the construction costs of the Home, and because of the imposition of the Affordability Requirements pursuant to this Mortgage; and

WHEREAS, but for the City's TIF Contribution, and the City's imposition of the Affordability Requirements, Mortgagor would have been unable to purchase the Home for an Affordable Price; and

WHEREAS, the City has required Mortgagor to execute this Mortgage in order to both: (a) impose the Affordability Requirements upon the Mortgaged Property and give notice of the Affordability Requirements to Mortgagor, to any subsequent purchaser of the Home, and to any lender having a mortgage secured by the Home, and (b) to secure the recapture payment described in Article III and Mortgagor's other obligations under this Mortgage; and

WHEREAS, in consideration of the City's TIF Contribution, the benefits accruing to Mortgagor as a result of its purchase of the Home for an Affordable Price, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Mortgagor has executed and delivered to the City this Mortgage;

NOW, THEREFORE, to secure the performance and observance by Mortgagor of all the terms, covenants and conditions described in this Mortgage, and in order to charge the properties, interests and rights hereinafter described with such consideration, Mortgagor has executed and delivered this Mortgage and does hereby grant, convey, assign, mortgage, grant a security interest in, and confirm unto Mortgagee and its successors and assigns forever, all of the following described property (which is hereinafter sometimes referred to as "Mortgaged Property"):

(A) The Home, and all easements, rights, interests and appurtenances thereto, including, without limitation, any deeded, reserved or assigned parking area or storage space and any interest in common elements and limited common elements;

(B) All structures and improvements of every nature whatsoever now or hereafter situated within or comprising a part of the Home, including, without limitation, all fixtures of every kind and nature whatsoever which are or shall be attached to said buildings, structures or improvements, and now or hereafter owned by Mortgagor, including all extensions, additions, improvements, betterments, renewals and replacements of any of the foregoing ("Improvements");

(C) All rents and issues of the Home and Improvements from time to time and all of the estate, right, title, interest, property, possession, claim and demand at law, as well as in equity of Mortgagor, in and to the same;

TO HAVE AND TO HOLD the Mortgaged Property and all parts thereof unto Mortgagee, its successors and assigns, to its own proper use, benefit and advantage forever, subject, however, to the terms, covenants and conditions herein;

WITHOUT limitation of the foregoing, Mortgagor hereby further grants unto Mortgagee, as provided in the provisions of the Uniform Commercial Code of the State of Illinois, a security interest in all of the above-described property, which are or are to become fixtures.

THIS MORTGAGE IS GIVEN TO SECURE: (a) amounts which may become due and payable under this Mortgage, and (b) performance of each and every one of the other covenants, conditions and agreements contained in this Mortgage, and in any other agreement, document or instrument to which reference is expressly made in this Mortgage.

ARTICLE I

INCORPORATION OF RECITALS

The recitals stated above constitute an integral part of the Mortgage and are hereby incorporated in this Mortgage by this reference with the same force and effect as if stated in this Mortgage as agreements of the parties.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

Mortgagor covenants and agrees with Mortgagee that at all times during the Recapture Period:

2.01 Taxes and Assessments.

(a) Mortgagor will pay when due all general taxes and assessments (including, without limitation, any condominium or homeowner's association assessments, if applicable), special assessments, water charges and all of the charges against the Mortgaged Property and will, upon Mortgagee's written request, furnish to Mortgagee receipts evidencing payment thereof, provided that Mortgagor, in good faith and with reasonable diligence, may contest the validity or amount of any such taxes, assessments or charges, provided that during any such contest the enforcement of the lien of such taxes, assessments or charges is stayed.

(b) Mortgagor will not suffer (unless bonded or insured over) any mechanic's, laborer's, material men's, or statutory lien to remain outstanding upon any of the Mortgaged Property. Mortgagor may contest such lien, provided that Mortgagor shall first post a bond in the amount of the contested lien, or provide title insurance over such contested lien, and further provided that Mortgagor shall diligently prosecute the contested lien and cause the removal of the same.

2.02 Insurance. Mortgagor will keep the Mortgaged Property continuously insured (or will use reasonable efforts to cause the condominium or homeowner's association, as applicable, to keep insured such parts of the Mortgaged Property as may be required to be insured by such association under the applicable declaration) in such amounts and against such risks as required of Mortgagor by the Senior Lender, paying the premiums for said insurance as they become due. Policies of insurance shall name Mortgagee as an additional insured. All policies of insurance shall provide that the same must not be canceled, except upon thirty (30) days prior written notice to Mortgagee.

2.03 Maintenance of the Mortgaged Property.

(a) Mortgagor shall preserve and maintain the Mortgaged Property in good condition and repair, will not commit or suffer any waste thereof, and will keep the same in a clean, orderly and attractive condition. Mortgagor must not do or suffer to be done anything which will increase the risk of fire or other hazard to the Mortgaged Property or any part thereof.

(b) If the Mortgaged Property or any part thereof is damaged by fire or any other cause, Mortgagor will immediately give written notice of the same to Mortgagee.

(c) Mortgagee or its representatives shall have the right to inspect the Mortgaged Property to assure compliance with the terms of this Mortgage.

(d) Mortgagor will promptly comply, and cause the Mortgaged Property to comply, with all present and future laws, ordinances, orders, rules and regulations and other requirements of any governmental authority affecting the Mortgaged Property or any part thereof and with all instruments and documents of record or otherwise affecting the Mortgaged Property or any part thereof.

(e) If all or any part of the Mortgaged Property is damaged by fire or other casualty, then Mortgagor (subject to the rights of the Board of Managers of the condominium or homeowner's association, if applicable, with respect to any proceeds applicable to common elements or limited common elements), will promptly restore the Mortgaged Property to the equivalent of its condition prior to the fire or other casualty, to the extent of any insurance proceeds made available to Mortgagor for that purpose.

2.04 Subordination. This Mortgage is subject and subordinate in all respects to the Senior Mortgage, if any, provided, however, that the maximum amount of indebtedness (including indebtedness attributable to protective advances made by the Senior Lender or other amounts secured under the terms of the Senior Mortgage) that are superior to the lien of this Mortgage will in no instance and at no time exceed 100% of the Purchase Price plus the City Subsidy Amount. Any refinancing of the Senior Mortgage permitted under this Section 2.04, however, will also be deemed a Senior Mortgage for purposes of the subordination set forth in this Section 2.04.

2.05 Income Eligibility. Mortgagor represents and warrants to Mortgagee that Mortgagor's household income, as of the time of Mortgagor's execution of its purchase contract for the Mortgaged Property, met the income eligibility requirements established by the City

applicable to a purchaser of the Home, as set forth in the definition of Qualified Household on Exhibit B hereto.

ARTICLE III

RECAPTURE OF CITY SUBSIDY PROVISIONS

3.01 Acknowledgment of City Subsidy. Mortgagor acknowledges and agrees that the City has subsidized a portion of the costs of construction of the Home in the amount of the City Subsidy Amount, resulting in Mortgagor's purchase of the Home at an Affordable Price.

3.02 Primary Residence; No Leasing. Mortgagor covenants to the City that during the Recapture Period, it shall own and use the Mortgaged Property as its primary residence (and the primary residence of Mortgagor's Qualified Household) as long as Mortgagor owns the Mortgaged Property. Mortgagor covenants that during the Recapture Period, it will not lease the Mortgaged Property to any person or let any other person to occupy or use the property without the prior written consent of the City, which will be in the City's reasonable discretion, and which, if granted, will require that the total amount payable by any tenant household not exceed the amount stated to qualify such housing as "affordable housing" as defined in the Illinois Affordable Housing Act, 310 ILCS 65/1 et seq.

3.03 Permitted Transfers.

(a) Mortgagor covenants that during the Recapture Period, it will not sell or otherwise directly or indirectly transfer ownership of the Mortgaged Property, except: (i) to a Qualified Household, and (ii) for an Affordable Price, and provided that (iii) the Qualified Household executes a mortgage, security and recapture agreement in similar form to this Mortgage, if such resale Affordable Price is below the market price, as reasonably determined by the City's Department of Housing. If Mortgagor attempts or purports to transfer the Mortgaged Property to a transferee in violation of any one or more of the conditions in clauses (i), (ii) and (iii), such attempted or purported transfer shall be a violation of the Affordability Requirements, and shall constitute an immediate Event of Default under Section 4.01(a).

(b) Any transfer of ownership: (x) resulting from Mortgagor's death and occurring by: (i) the terms of a written land trust, personal trust or will, or (ii) state intestacy law, or (y) to a spouse or member of Mortgagor's Qualified Household, or (z) resulting from Mortgagor's transfer of the Home into a land trust or personal trust of which Mortgagor is the sole beneficiary and holder of power of direction, as applicable, will be subject to the transfer restrictions stated in Section 3.03(a), for further transfers, and provided, further that the transferee taking ownership under this Section 3.03(b) will be bound by all of the affordable housing covenants contained in this Mortgage.

3.04 Right to Request Waiver or Modification. The Affordability Requirements in this Article III may be waived or modified in writing by the City, upon a showing of undue hardship or changed circumstances that would make the enforcement of such covenants inequitable or impractical, as determined by the City in its sole discretion.

3.05 Approval of Transfer and Release of Mortgage. Upon either: (a) a permitted transfer described in Section 3.03, or (b) a transfer accompanied by a repayment of the City Subsidy Recapture Amount in accordance with the terms of this Mortgage, the City will, upon 10 business days prior written notice, execute and deliver a "Certificate of Transfer" confirming that such transfer is a permitted transfer under this Mortgage and effective to deliver legal title to the transferee. In addition, within 30 days of receipt of a written request from Mortgagor, Mortgagee will execute a release of the Mortgage in recordable form.

3.06 REASONABLE RESTRAINT ON ALIENATION. MORTGAGOR ACKNOWLEDGES AND AGREES THAT TO THE EXTENT THE AFFORDABILITY REQUIREMENTS, ANYTHING IN THIS ARTICLE III, OR ANY OTHER PROVISION IN THIS MORTGAGE COULD BE DEEMED A RESTRAINT ON ALIENATION, THAT ANY SUCH RESTRAINT: (A) IS REASONABLE, (B) IS, AS EXPLAINED IN THE RECITALS, SUPPORTED BY ADEQUATE CONSIDERATION, (C) IS NECESSARY TO IMPLEMENT THE CITY'S PUBLIC POLICY OBJECTIVE OF DEVELOPING AND MAINTAINING LOW-INCOME AND VERY LOW-INCOME HOUSING, (D) SHOULD BE ENFORCED AS WRITTEN, AND (E) WAS A MATERIAL INDUCEMENT TO THE CITY'S INITIAL DECISION TO PROVIDE THE TIF CONTRIBUTION, WHICH HAS ENABLED MORTGAGOR TO BUY THE HOME FOR THE PURCHASE PRICE, WHICH IS MATERIALLY BELOW THE FAIR MARKET VALUE PRICE. MORTGAGOR, THEREFORE, KNOWINGLY AND VOLUNTARILY, TO THE FULLEST EXTENT PERMITTED BY LAW, WAIVES THE RIGHT TO RAISE ANY DEFENSE TO THE ENFORCEMENT OF THE AFFORDABILITY REQUIREMENTS, WHETHER AT LAW OR IN EQUITY.

ARTICLE IV

DEFAULT

4.01 Events of Default. The terms "Event of Default" or "Events of Default", wherever used in the Mortgage, shall mean any one or more of the following events:

(a) Failure by Mortgagor to comply with any of the Affordability Requirements stated in Sections 3.02 or 3.03;

(b) Failure by Mortgagor to duly observe or perform any other material term, covenant, condition, or agreement in this Mortgage after the expiration of the applicable cure periods provided in Section 4.02; or

(c) A default continuing beyond all applicable cure periods under the Senior Mortgage and permitting foreclosure under the Senior Mortgage.

4.02 City Remedies. The City has the following remedies depending on the nature and timing of the Event of Default.

(a) Recapture Payment Event. If an Event of Default occurs under Section 4.01(a) prior to the Recapture Period expiration, any purported lease, direct or indirect sale or transfer of ownership, or mortgaging of the Mortgaged Property makes the City entitled to the specific

enforcement of the Affordability Requirements and any other remedies available under this Mortgage. The City, in its sole discretion, and in lieu of its specific enforcement of the Affordability Requirements, may elect to require payment of the City Subsidy Recapture Amount (as defined below) in the event that the City determines that specific enforcement of the Affordability Requirements is impractical or inappropriate. If Mortgagor pays to the City the City Subsidy Recapture Amount, then the City shall have no other remedy with respect to such Event of Default and shall be obligated to execute and deliver a release of this Mortgage in recordable form and the transferee shall not be bound by any Affordability Requirements or otherwise required to execute and deliver any mortgage in favor of the City.

The "City Subsidy Recapture Amount" shall be an amount equal to the City Subsidy Amount plus simple, non-compounding interest on such amount at the rate of one percent (1.0%) per annum (assuming twelve 30 day months) calculated from the date of this Mortgage to the date of the Recapture Payment Event.

For example, if (x) this Mortgage was dated January 1, 2002, (y) the date of the Recapture Payment Event was July 1, 2008, and (z) the City Subsidy Amount was \$20,000, then (i) the interest on the City Subsidy Amount would be \$1,300 (\$200/year for 6 years, plus \$100 for one half-year), and (ii) the City Subsidy Recapture Amount would be \$21,300 (\$20,000 plus \$1,300).]

(b) If an Event of Default occurs under Section 4.02 or Section 4.03 and such default involves a failure to make timely payment of any amount due and secured by this Mortgage or the Senior Mortgage and such failure is not cured within 10 days of the Mortgagee's delivery of written notice of such failure to Mortgagor (a "Monetary Event of Default"), then Mortgagee may immediately: (i) declare the City Subsidy Recapture Amount immediately due and payable (with such Monetary Event of Default date being also being deemed a Recapture Payment Event for purposes of computing such amount); and (ii) exercise any other remedies available under this Mortgage (including, without limitation, specific enforcement of the Affordability Requirements any time prior to the end of the Recapture Period of this Mortgage), in either instance without further notice or demand.

(c) If Mortgagor fails to perform any other obligation required under this Mortgage not described in Section 4.02 and such failure is not cured within 60 days of the Mortgagee's delivery of written notice of such failure to Mortgagor, then Mortgagee may immediately: (i) declare the City Subsidy Recapture Amount immediately due and payable (with such non-monetary Event of Default date being also being deemed a Recapture Payment Event for purposes of computing such amount); and (ii) exercise any other remedies available under this Mortgage (including, without limitation, specific enforcement of the Affordability Requirements any time prior to the end of the Recapture Period of this Mortgage), in either instance without further notice or demand. If such default cannot be cured within such 60 day period, however, and if Mortgagor has commenced efforts to cure such default, then the time to cure shall be extended so long as said party diligently continues to cure such default.

(d) If an event of default occurs under the Senior Lender's security documents (after the giving of any applicable notice and lapse of any applicable cure period, if any) and the Senior Lender commences efforts to foreclose its mortgage (or obtain a deed-in-lieu-of-foreclosure),

obtain appointment of a receiver for the Mortgaged Property, or obtain possession of the Mortgaged Property, then such event of default will (notwithstanding anything in this Section 4.02 to the contrary) constitute an immediate Event of Default under this Mortgage and the Mortgagee may immediately: (i) declare the City Subsidy Recapture Amount immediately due and payable (with such commencement date being also deemed a Recapture Payment Event for purposes of computing the City Subsidy Recapture Amount); and (ii) exercise any other remedies available under this Mortgage, in either instance without further notice or demand.

4.03 Other Remedies.

(a) If any amounts due under and secured by this Mortgage become due, whether by acceleration or otherwise, Mortgagee has the right to foreclose the lien hereof for such indebtedness or part thereof. This Mortgage and the right of foreclosure hereunder will not be impaired or exhausted by any foreclosure of the Senior Mortgage, and may be foreclosed successively and in parts, until all of the Mortgaged Property has been foreclosed against. In any such foreclosure, or upon the enforcement of any other remedy of Mortgagee, there will be allowed and included as additional indebtedness all expenditures and expenses which may be paid or incurred by or on behalf of Mortgagee for reasonable attorneys' fees, appraisers' fees, outlays for documentary and expert evidence, stenographers' charges, publication costs, and costs involved in title insurance and title examinations. All expenditures and expenses of the nature in this Section 4.03 mentioned, and such expenses and fees as may be incurred in the protection of the Mortgaged Property and the maintenance of the lien of this Mortgage, including the reasonable fees of any attorney employed by Mortgagee in any litigation or proceeding affecting this Mortgage, or the Mortgaged Property, including probate and bankruptcy proceedings, or in preparation for the commencement or defense of any proceeding or threatened suit or proceeding, will be immediately due and payable by Mortgagor, with interest thereon at the lesser of the highest rate permitted by law or fifteen percent (15%) per annum, and shall be secured by this Mortgage. The proceeds of any foreclosure sale of the Mortgaged Property will be distributed and applied in the following order of priority: (i) on account of all costs and expenses incidental to the foreclosure proceedings, including all such items as are mentioned in this section; (ii) repayment of the indebtedness owed to the Senior Lender, subject to the limitation in Section 2.04; (iii) repayment of any other amounts due under this Mortgage; and (iv) payment of any remaining amounts due to Mortgagor, its successors or assigns, as their rights may appear.

(b) Mortgagor must not and will not apply for or avail itself of any appraisalment, valuation, stay, extension or exemption laws, or any so-called "Moratorium Laws", now existing or hereafter enacted, in order to prevent or hinder the enforcement or foreclosure of this Mortgage, BUT HEREBY WAIVES the benefit of such laws. Mortgagor, for itself and all who may claim through or under it, WAIVES ANY AND ALL RIGHT to have the property and estates comprising the Mortgaged Property marshaled upon any foreclosure of the lien hereof, and agrees that any court having jurisdiction to foreclose such lien may order the Mortgaged Property sold as an entirety. To the extent permitted by law, Mortgagor HEREBY WAIVES any and all rights of redemption from sale under any order or decree of foreclosure of this Mortgage on such Mortgagor's behalf and on behalf of each and every person, except decree or judgment creditors of Mortgagor, acquiring any interest in or title to the Mortgaged Property subsequent to the date of this Mortgage.

(c) Upon any other entering upon or taking of possession of the Mortgaged Property after the occurrence of an Event of Default and the expiration of the applicable cure period and other than by means of a foreclosure, Mortgagee, subject to the rights of the Senior Lender, may hold, use, manage and control the Mortgaged Property and, from time to time:

(i) make all necessary and proper maintenance, repairs, renewals, replacements, additions, betterments and improvements thereto and thereon and purchase or otherwise acquire additional fixtures, personalty and other property required in connection therewith;

(ii) insure or keep the Mortgaged Property insured;

(iii) manage the Mortgaged Property and exercise all the rights and powers of Mortgagor to the same extent as Mortgagor could in its own name or otherwise with respect to the same; and

(iv) enter into any and all agreements with respect to the exercise by others of any of the powers herein granted to Mortgagee, all as Mortgagee from time to time may reasonably determine to be to its best advantage.

Mortgagee may collect and receive all the rents, issues, profits and revenues of the same, including those past due as well as those accruing thereafter, and, after deducting to the extent reasonable:

(aa) expenses of taking, holding and managing the Mortgaged Property (including compensation for the services of all persons employed for such purposes);

(bb) the cost of all such maintenance, repairs, renewals, replacements, additions, betterments, improvements and purchases and acquisitions;

(cc) the cost of such insurance;

(dd) such taxes, assessments and other similar charges as Mortgagee may determine to pay;

(ee) other proper charges upon the Mortgaged Property or any part thereof; and

(ff) the reasonable compensation, expenses and disbursements of the attorneys and agents of Mortgagee

shall apply the remainder to the payment of amounts due under this Mortgage. The balance of such funds, if any, after payment in full, of all of the aforesaid amounts shall be paid to Mortgagor.

(d) Mortgagee may also seek specific performance or injunctive relief in order to enforce the provisions of this Mortgage.

4.04 Receiver. Subject to the rights of the Senior Lender, if an Event of Default has occurred and is continuing after an applicable cure period has expired, Mortgagee, upon application to a court of competent jurisdiction, is entitled to the appointment of a receiver to take possession of and to operate the Mortgaged Property and to collect and apply the rents, issues, profits and revenues thereof. The receiver will otherwise have all of the rights and powers to the fullest extent permitted by law.

4.05 Purchase by Mortgagee. Upon any foreclosure sale, Mortgagee may bid for and purchase the Mortgaged Property and is entitled to apply all or any part the City Subsidy Recapture Amount and other amounts due under and secured by this Mortgage as a credit to the purchase price.

4.06 Remedies Cumulative. No right, power or remedy conferred upon or reserved to Mortgagee by this Mortgage is intended to be exclusive of any other right, power or remedy, but each and every right, power and remedy is cumulative and concurrent and is in addition to any other right, power and remedy given hereunder or now or hereafter existing at law, in equity or by statute.

4.07 Waiver. No delay or omission of Mortgagee to exercise any right, power or remedy accruing upon any Event of Default will exhaust or impair any such right, power or remedy or will be construed to be a waiver of any such Event of Default or acquiescence therein; and every right, power and remedy given by this Mortgage to Mortgagee may be exercised from time to time as often as may be deemed expedient by Mortgagee. No consent or waiver, expressed or implied, by Mortgagee to or of any breach or Event of Default by Mortgagor in the performance of its obligations hereunder will be deemed or construed to be a consent or waiver to or of any other breach or Event of Default in the performance of the same or any other obligations of Mortgagor. Failure on the part of Mortgagee to complain of any act or failure to act or to declare an Event of Default, irrespective of how long such failure continues, will not constitute a waiver by Mortgagee of its rights or impair any rights, powers or remedies on account of any breach or default by Mortgagor.

ARTICLE V

MISCELLANEOUS PROVISIONS

5.01 Successors and Assigns This Mortgage inures to the benefit of and is binding upon Mortgagor and Mortgagee and their respective legal representatives, successors and assigns. Whenever a reference is made in this Mortgage to Mortgagor or to Mortgagee, such reference shall be deemed to include a reference to legal representatives, successors and assigns of Mortgagor or Mortgagee, as applicable.

5.02 Terminology. All personal pronouns used in this Mortgage, whether used in the masculine, feminine or neuter gender, includes all other genders; the singular includes the plural, and vice versa. Titles and sections are for convenience only and neither limit nor amplify the provisions of this Mortgage, and all references to articles, sections or paragraphs refers to the corresponding articles, sections or paragraphs of this Mortgage unless specific reference is made to such articles, sections or paragraphs of another document or instrument.

5.03 Severability. If any provision of this Mortgage or the application thereof to any person or circumstance becomes invalid or unenforceable to any extent, then the remainder of this Mortgage and the application of such provision to other persons or circumstances will not be affected thereby and will be enforced to the extent permitted by law.

5.04 Security Agreement. This Mortgage must be construed as a "Security Agreement" within the meaning of and will create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the Mortgaged Property which constitutes fixtures. Mortgagee has all the rights with respect to such fixtures afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded Mortgagee by this Mortgage or any other agreement.

5.05 Modification. No change, amendment, modification, cancellation or discharge hereof, or of any part hereof, will be valid unless in writing and signed by the parties or their respective successors and assigns. Mortgagor has no right to convey the Home into a land trust without obtaining the prior written consent of the City.

5.06 No Merger. It being the desire and intention of the parties that this Mortgage and the lien hereof do not merge in fee simple title to the Mortgaged Property, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to said property or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee as evidenced by an appropriate document duly recorded, this Mortgage and the lien hereof will not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

5.07 Applicable Law. This Mortgage must be interpreted, construed and enforced under the laws of the State of Illinois, without regard to its conflict of laws principles.

5.08 Administration. All consents, approvals, modifications, waivers, adjustments or other actions of the City described herein shall be made in writing by the City, acting through its Department of Housing and Economic Development, or any successor department thereto. All notices, requests, or other communications to the City hereunder must be made to the Department of Housing at the following address:

Department of Housing and Economic Development
ATTN: Commissioner
121 North LaSalle Street
Room 1000
Chicago, Illinois 60604

[The remainder of this page is deliberately left
blank and the signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Mortgage to be signed as of the day and year first above written.

MORTGAGOR(S):

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____ to me as the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that he/she signed and delivered the said instrument as his/her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and notarial seal this
____ day of _____, 200__.

Notary Public

My commission expires
_____.

Exhibit A
(City Recapture Mortgage)

Legal Description of the Home

Exhibit B
(City Recapture Mortgage)

Definitions

“Affordability Requirements” means the affordability requirements contained in Sections 3.02 and 3.03 hereof.

“Affordable Price” means an amount less than or equal to the price at which Monthly Homeownership Costs for the Home would total not more than 30% of household income for a household with a family size equal to the product of 1.5 multiplied by the number of bedrooms in the Home whose income is the maximum amount allowable for such household to be a Qualified Household.

“Base Purchase Price” means _____, being the amount of the Purchase Price exclusive of upgrades.

“City Subsidy Amount” means \$ _____, constituting the difference between the market value of the Home at the time of its initial purchase (based on appraisals, comparable sales or similar evidence as shall be acceptable to the Department of Housing and Economic Development) and the Base Purchase Price.

“City Subsidy Recapture Amount” has the meaning set forth in Section 4.02 hereof.

“Closing Date” means the date of signing of this Mortgage.

“Home” has the meaning stated in the recitals.

“Initial Seller” means MGM/TGI 105th Street, LLC, an Illinois limited liability company, Developer.

“Monthly Homeownership Costs” means the sum of the following estimated amounts:

- (i) monthly principal and interest payments on a 30-year fixed rate purchase money mortgage in the amount of 95% of the purchase price, bearing interest at a rate equal to the prevailing rate as published in the Chicago Tribune (or posted on the internet website maintained by the Chicago Tribune) as of the date of calculation of Monthly Homeownership Costs, rounded up to the nearest 1/4,
- (ii) annual estimated real property taxes, divided by 12,
- (iii) annual insurance premiums, divided by 12, for homeowners' insurance in the amount of the replacement value of the Home, and
- (iv) monthly condominium assessment payments or similar homeowner's association payments, if applicable.

“Purchase Price” means \$ _____, being the sum of the Base Purchase Price plus upgrades.

“Recapture Period” means for the period commencing on the Closing Date and ending upon the 30th anniversary of the Closing Date.

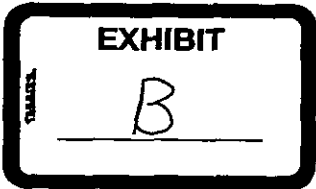
“Qualified Household” means a single person, family or unrelated persons living together whose adjusted income is not more than 100% of the Chicago-area median income, adjusted for family size, as such adjusted income and Chicago-area median income are determined from time to time by the United States Department of Housing and Urban Development for purposes of Section 8 of the United States Housing Act of 1937. As of the Closing Date, such income limitations are as follows:

<u># of Persons In Household</u>	<u>100% of AMI</u>
1	\$
2	\$
3	\$
4	\$
5	\$
6	\$

“Senior Lender” means _____, being the mortgagee under the Senior Mortgage.

“Senior Mortgage” means that certain mortgage dated as of _____, between Mortgagor and the Senior Lender, recorded with the Office of the Recorder of Deeds of Cook County, Illinois on _____ as document # _____ to secure indebtedness in the original principal amount of \$ _____.

“TIF Contribution” means a contribution by the City of tax increment financing funds towards payment of a portion of the construction costs of the Home.



TAXABLE SERIES A
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
\$3,200,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

Registered Owner: MGM/TGI 105th Street LLC, an Illinois limited liability company
Interest Rate: ___% per annum (but not more than 8.50%)
Issue Date: _____, 2012
Principal Amount: \$3,200,000
Maturity Date: December 31, 2025, unless extended in accordance with Section 4.03 of the attached Redevelopment Agreement

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from those certain Pledged Revenues hereinafter identified, the principal amount of this Note (\$3,200,000) and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the Issue Date specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above beginning on February 1st of each year until paid. Principal of and interest on this Note are payable annually on February 1st of each year in accordance with the attached amortization schedule from the following City Funds: (i) first from funds within the 119th Street/I-57 Redevelopment Project Area in accordance with Section

4.03(c)(v)(A) of the Redevelopment Agreement, as defined below; (ii) only in the event such ported funds are insufficient to pay the amounts of principal and interest under the Note when due, from Available Incremental Taxes in accordance with Section 4.03(c)(v)(B) of the Redevelopment Agreement.

As described in the Redevelopment Agreement dated as of _____, 2012 (the "Redevelopment Agreement") between the City and Developer, Developer has agreed to construct the Project (as defined in the Redevelopment Agreement) and to advance funds under the TIF Act for certain eligible redevelopment project costs related to the Project. Prior to the date hereof, Developer has expended no less than \$3,200,000 for such redevelopment project costs, as evidenced by the certificate of expenditure executed by the City in accordance with the Redevelopment Agreement and attached hereto (the "Certificate of Expenditure").

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

This Note is issued by the City in fully registered form in the aggregate principal amount of \$3,200,000 for advances made prior to the date hereof by MGM/TGI 105th Street LLC, an Illinois limited liability company (the "Developer") for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Developer in connection with the redevelopment of property in the 105th Street and Vincennes Avenue Redevelopment Project Area (the "Redevelopment Area") in the City, with such redevelopment work and related construction being defined as the "Infrastructure Project", all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) as amended (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) as amended and an Ordinance adopted by the City Council of the City on _____, 2012 (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged in the Redevelopment Agreement certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the 119th Street/I-57 Redevelopment Project Area and from the Redevelopment Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. The revenues so pledged are described in Section 4.03 of the Redevelopment Agreement and defined herein as the "Pledged Revenues". Reference is hereby made to the Ordinance for a description, among others, with respect to the determination, custody and application of said Pledged Revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM

THE PLEDGED REVENUES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER OR REGISTERED ASSIGNS HEREOF ONLY AGAINST SAID PLEDGED REVENUES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER AND REGISTERED ASSIGNS OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.

The principal of this Note is subject to prepayment and/or redemption at any time without premium or penalty.

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

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide.

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

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

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)

Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

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

This Note is described in the within mentioned Ordinance and is the \$3,200,000 Tax Increment Allocation Revenue Note (MGM/TGI 105th Street LLC Redevelopment Project), Taxable Series A, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

TAXABLE SERIES A
REGISTERED
NO. R-1

PRINCIPAL AMOUNT
\$3,200,000

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

NO. R-1

FORM OF ASSIGNMENT

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

Dated: _____
Registered Owner

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

Signature Guaranteed: _____

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

Consented to as of: _____

City of Chicago, Illinois

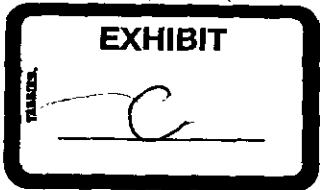
By: _____
Title _____, Department of
Housing and Economic Development

ATTACHMENT TO UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(MGM/TGI 105TH STREET LLC
REDEVELOPMENT PROJECT), TAXABLE SERIES A

NO. R-1

PAYMENT AND AMORTIZATION SCHEDULE

Payment and Amortization Schedule to be attached to this Cover Sheet at Closing



CERTIFICATE OF EXPENDITURE FOR CITY NOTE

_____, 2012

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$3,200,000 Tax Increment Allocation Revenue Note
(MGM/TGI 105th Street LLC Redevelopment Project),
Taxable Series A (the "City Note")

This Certificate is submitted to you, as Registered Owner of the City Note, pursuant to the Ordinance of the City authorizing the execution of the City Note adopted by the City Council of the City on _____, 2012 (the "Ordinance"). All terms used herein shall have the same meanings as when used in the Ordinance.

The City hereby certifies that \$3,200,000 is advanced as principal under the City Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note is \$3,200,000.

IN WITNESS WHEREOF, the City has caused this Certificate to be signed on its behalf as of _____, 2012.

CITY OF CHICAGO

By: _____ Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR



CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation
EDS # 23200

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

MGM Urban Properties

Enter d/b/a if applicable:

The Disclosing Party submitting this EDS is:

a legal entity holding a direct or indirect interest in the
Applicant

The Disclosing Party holds an interest in

MGM/TGI 105th Street LLC and EDS is 23180

B. Business address of the Disclosing Party:

11504 W. 183rd Street
Suite SW
Orlan Park, IL 60467
United States

C. Telephone:

312-235-0130

Fax:

Email:

boryslater@sbcglobal.net

D. Name of contact person:

Charmain Later

E. Federal Employer Identification No. (if you have one):



SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Privately held business corporation

Is the Disclosing Party incorporated or organized in the State of Illinois?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.1 Does the Disclosing Party have any directors?

No

1.a.3 List below the full names and titles of all executive officers and all directors, if any, of the entity. Do not include any directors who have no power to select the entity's officers.

Officer/Director: Mr. Jack Mayher Jr
Title: President
Role: Officer

.....

2. Ownership Information

Please confirm ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party (your entity). Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

As reported by the Disclosing Party, the immediate owner(s) of the Disclosing Party is/are listed below:

- Mr. Jack Mayher - 100%

Owner Details

Name	Address
Mr. Jack Mayher	11504 W. 183rd Street Suite SW Orland Park, IL 60467 United States

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

- i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
- ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of

such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or
- d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3;
- bid-rotating in violation of 720 ILCS 5/33E-4; or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at www.cityofchicago.org/city/en/depts/ethics.html, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above

The Disclosing Party understands and agrees that:

- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If needed you may add an attachment below.

List of attachments uploaded by vendor

None.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

/s/ 06/14/2011

Charmain Later

Representative

MGM Urban Properties

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.

**CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT
APPENDIX A**

**FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND
DEPARTMENT HEADS**

This Appendix is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related, by blood or adoption, to the mayor, any alderman, the city clerk, the city treasurer or any city department head as parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

Yes

No

If yes, please identify below (1) the name and title of such person, (2) the name of the legal entity to which such person is connected; (3) the name and title of the elected city official or department head to whom such person has a familial relationship, and (4) the precise nature of

such familial relationship.

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

Jack Mayher
(Print or type name of Disclosing Party)

Date: 4/21/2011

By:

X: [Signature] MANAGER/OWNER
(Sign here)

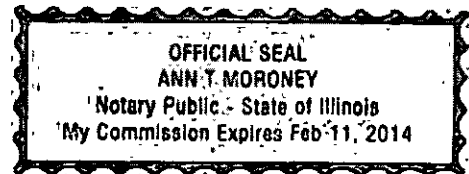
Jack Mayher
(Print or type name of person signing)

President, MGM Urban Properties
(Print or type title of person signing)

Signed and sworn to before me on (date) Sept 27, 2011, by Jack Mayher
at Cook County, Illinois (State).

[Signature] Notary Public.

Commission expires: Feb 11, 2014





CITY OF CHICAGO
ECONOMIC DISCLOSURE STATEMENT and AFFIDAVIT
Related to Contract/Amendment/Solicitation
EDS # 23180

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting the EDS:

MGM/TGI 105th Street LLC

Enter d/b/a if applicable:

The Disclosing Party submitting this EDS is:

the Applicant

B. Business address of the Disclosing Party:

11504 W. 183rd Street
Suite SW
Orland Park, IL 60467
United States

C. Telephone:

312-235-0130

Fax:

Email:

boryslater@sbcglobal.net

D. Name of contact person:

Ms. Charmain Later

E. Federal Employer Identification No. (if you have one):

[REDACTED]

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains:

DPD/RDA W/MGM/TGI 105TH ST. LLC RE 1357 W. 105TH

Which City agency or department is requesting this EDS?

DEPT OF HOUSING AND ECONOMIC DEVELOPMENT

Specification Number

47665

Contract (PO) Number

12068

Revision Number

Release Number

User Department Project Number

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

Limited liability company

Is the Disclosing Party incorporated or organized in the State of Illinois?

Yes

B. DISCLOSING PARTY IS A LEGAL ENTITY:

1.a.2 Does the Disclosing Party have any officers?

No

B. CERTIFICATION REGARDING Controlling Interest

1.b.1 Are there any individuals who control the day-to-day management of the Disclosing Party as a general partner, managing member, manager, or other capacity?

No

1.b.3 Are there any legal entities that control the day-to-day management of the Disclosing Party as a general partner, managing member, manager, or other capacity?

Yes

1.b.4 List all legal entities that function as general partners, managing members, managers, and any others who control the day-to-day management of the Disclosing Party. Each legal entity listed below must submit an EDS on its own behalf.

Name: MGM Urban Properties, Inc.
Title: Manager
Business Address: 11504 W. 183rd St
Suite SW
Orland Park, IL 60467 United States

Name: The Terrell Group
Title: Manager
Business Address: 11516 West 183rd Street
Suite SE
Orland Park, IL 60467 United States

Name: John J. Mayher, Jr.
Title: President, MGM Urban Properties, Inc.
Business Address: 11504 W. 183rd Street
Suite SW
Orland Park, IL 60467 United States

Name:
Title:
Business Address: , United States

2. Ownership Information

Please provide ownership information concerning each person or entity having a direct or indirect beneficial interest in excess of 7.5% of the Disclosing Party.

Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate, or other similar entity. Note: Pursuant to Section 2-154-030 of the Municipal code of Chicago, the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

- MGM Urban Properties - 50% - EDS 23200
 - John J. Mayher Jr - 50%
- The Terrell Group, Inc. - 50% - EDS 23201
 - Patrick Terrell - 50%

Owner Details

Name	Address
John J. Mayher Jr	11504 W. 183rd Street Suite SW Orland Park, IL 60467 United States
MGM Urban Properties	11504 W. 183rd Street Suite SW Orlan Park, IL 60467 United States
Patrick Terrell	11504 W. 183rd Street Suite SE Orland Park, IL 60467 United States
The Terrell Group, Inc.	11516 W. 183rd Street Suite SE Orland Park, IL 60467 United States

SECTION III -- BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

Has the Disclosing Party had a "business relationship," as defined in Chapter 2-156 of the Municipal Code, with any City elected official in the 12 months before the date this EDS is signed?

No

SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist, accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll.

"Lobbyist" means any person or entity who undertakes to influence any legislative or administrative action on behalf of any person or entity other than: (1) a not-for-profit entity, on an unpaid basis, or (2) himself. "Lobbyist" also means any person or entity any part of whose duties as an employee of another includes undertaking to influence any legislative or administrative action.

If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

1. Has the Disclosing Party retained any legal entities in connection with the Matter?

Yes

2. List below the names of all legal entities which are retained parties.

Name: Johnson Research Group, Inc.
**Anticipated/
Retained:** Retained
Business Address: 343 S. Dearborn Street
Suite 404
Chicago, IL 60604 United States
Relationship: Consultant
**Fees
(\$\$ or %):** \$25,000
Estimated/Paid: Estimated

Name: Vedder Price P.C.
**Anticipated/
Retained:** Retained
Business Address: 222 North LaSalle Street

Chicago, IL 60601 United States

Relationship: Attorney
Fees \$25,000
(\$\$ or %):
Estimated/Paid: Estimated

3. Has the Disclosing Party retained any persons in connection with the Matter?

No

SECTION V -- CERTIFICATIONS

A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

Under Municipal Code Section 2-92-415, substantial owners of business entities that contract with the City must remain in compliance with their child support obligations throughout the contract's term.

Has any person who directly or indirectly owns 10% or more of the Disclosing Party been declared in arrearage of any child support obligations by any Illinois court of competent jurisdiction?

No

B. FURTHER CERTIFICATIONS

1. Pursuant to Municipal Code Chapter 1-23, Article I ("Article I")(which the Applicant should consult for defined terms (e.g., "doing business") and legal requirements), if the Disclosing Party submitting this EDS is the Applicant and is doing business with the City, then the Disclosing Party certifies as follows:

- i. neither the Applicant nor any controlling person is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any sister agency; and
- ii. the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City.

NOTE: If Article I applies to the Applicant, the permanent compliance timeframe in Article I supersedes some five-year compliance timeframes in certifications 2 and 3 below.

I certify the above to be true

2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section II.B.1. of this EDS:

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;
- b. have not, within a five-year period preceding the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;
- c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in clause B.2.b. of this Section V;
- d. have not, within a five-year period preceding the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and
- e. have not, within a five-year period preceding the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

I certify the above to be true

3. Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor nor any Agents have, during the five years before the date this EDS is signed, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the five years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

- a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;
- b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or
- c. made an admission of such conduct described in a. or b. above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions of Municipal Code Section 2-92-610 (Living Wage Ordinance).

I certify the above to be true

4. Neither the Disclosing Party, Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of

- bid-rigging in violation of 720 ILCS 5/33E-3;
- bid-rotating in violation of 720 ILCS 5/33E-4; or
- any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

I certify the above to be true

5. Neither the Disclosing Party nor any Affiliated Entity is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the Bureau of Industry and Security of the U.S. Department of Commerce or their successors: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List.

I certify the above to be true

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), Chapter 2-56 (Inspector General) and Chapter 2-156 (Governmental Ethics) of the Municipal Code.

I certify the above to be true

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

The Disclosing Party certifies that, as defined in Section 2-32-455(b) of the Municipal Code, the Disclosing Party

is not a "financial institution"

D. CERTIFICATION REGARDING INTEREST IN CITY BUSINESS

Any words or terms that are defined in Chapter 2-156 of the Municipal Code have the same meanings when used in this Part D.

1. In accordance with Section 2-156-110 of the Municipal Code: Does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

No

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

If the Disclosing Party cannot make this verification, the Disclosing Party must disclose all required information in the space provided below or in an attachment in the "Additional Info" tab. Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

The Disclosing Party verifies that the Disclosing Party has searched any and all records of the Disclosing Party and any and all predecessor entities regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era (including insurance policies issued to slaveholders that provided coverage for damage to or injury or death of their slaves), and the Disclosing Party has found no such records.

I can make the above verification

SECTION VI -- CERTIFICATIONS FOR FEDERALLY-FUNDED MATTERS

Is the Matter federally funded? For the purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

No

SECTION VII -- ACKNOWLEDGMENTS, CONTRACT INCORPORATION, COMPLIANCE, PENALTIES, DISCLOSURE

The Disclosing Party understands and agrees that:

- A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.
- B. The City's Governmental Ethics and Campaign Financing Ordinances, Chapters 2-156 and 2-164 of the Municipal Code, impose certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. A training program is available on line at

www.cityofchicago.org/city/en/depts/ethics.html, and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with the applicable ordinances.

I acknowledge and consent to the above.

The Disclosing Party understands and agrees that:

- C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other transactions with the City. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.
- D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided on this EDS and any attachments to this EDS may be made available to the public on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.
- E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. NOTE: With respect to Matters subject to Article I of Chapter 1-23 of the Municipal Code (imposing PERMANENT INELIGIBILITY for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by Chapter 1-23 and Section 2-154-020 of the Municipal Code.

I acknowledge and consent to the above

The Disclosing Party represents and warrants that:

F.1. The Disclosing Party is not delinquent in the payment of any tax administered by the Illinois Department of Revenue, nor are the Disclosing Party or its Affiliated Entities delinquent in paying any fine, fee, tax or other charge owed to the City. This includes, but is not limited to, all water charges, sewer charges, license fees, parking tickets, property taxes or sales taxes.

I certify the above to be true

F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U.S. General Services Administration.

I certify the above to be true

F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Disclosing Party has reason to believe has not provided or cannot provide truthful certifications.

I certify the above to be true

FAMILIAL RELATIONSHIPS WITH ELECTED CITY OFFICIALS AND DEPARTMENT HEADS

This question is to be completed only by (a) the Applicant, and (b) any legal entity which has a direct ownership interest in the Applicant exceeding 7.5 percent. It is not to be completed by any legal entity which has only an indirect ownership interest in the Applicant.

Under Municipal Code Section 2-154-015, the Disclosing Party must disclose whether such Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently has a "familial relationship" with any elected city official or department head. A "familial relationship" exists if, as of the date this EDS is signed, the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof is related to the mayor, any alderman, the city clerk, the city treasurer or any city department head as spouse or domestic partner or as any of the following, whether by blood or adoption: parent, child, brother or sister, aunt or uncle, niece or nephew, grandparent, grandchild, father-in-law, mother-in-law, son-in-law, daughter-in-law, stepfather or stepmother, stepson or stepdaughter, stepbrother or stepsister or half-brother or half-sister.

"Applicable Party" means (1) all corporate officers of the Disclosing Party, if the Disclosing Party is a corporation; all partners of the Disclosing Party, if the Disclosing Party is a general partnership; all general partners and limited partners of the Disclosing Party, if the Disclosing Party is a limited partnership; all managers, managing members and members of the Disclosing Party, if the Disclosing Party is a limited liability company; (2) all principal officers of the Disclosing Party; and (3) any

person having more than a 7.5 percent ownership interest in the Disclosing Party. "Principal officers" means the president, chief operating officer, executive director, chief financial officer, treasurer or secretary of a legal entity or any person exercising similar authority.

Does the Disclosing Party or any "Applicable Party" or any Spouse or Domestic Partner thereof currently have a "familial relationship" with an elected city official or department head?

No

ADDITIONAL INFO

Please add any additional explanatory information here. If needed you may add an attachment below.

List of vendor attachments uploaded by City staff

None .

List of attachments uploaded by vendor

None .

CERTIFICATION

Under penalty of perjury, the person signing below: (1) warrants that he/she is authorized to execute this EDS on behalf of the Disclosing Party, and (2) warrants that all certifications and statements contained in this EDS are true, accurate and complete as of the date furnished to the City.

/s/ 06/29/2011

Ms. Charmain Later

Representative

MGM/TGI 105th Street LLC

This is a printed copy of the Economic Disclosure Statement, the original of which is filed electronically with the City of Chicago. Any alterations must be made electronically, alterations on this printed copy are void and of no effect.