

OFFICE OF THE MAYOR

CITY OF CHICAGO

RAHM EMANUEL
MAYOR

October 3, 2012

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 the execution of a redevelopment agreement for Shops & Lofts at 47.

Your favorable consideration of this ordinance will be appreciated.

A handwritten signature in black ink that reads "Rahm Emanuel". The signature is written in a cursive, flowing style with a large initial "R".

Mayor

Very truly yours,

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ORDINANCE

WHEREAS, the City of Chicago (the "City") is a duly constituted and existing municipality within the meaning of Section 1 of Article VI of the 1970 Constitution of the State of Illinois (the "Constitution") having a population in excess of twenty-five thousand (25,000) and is a home rule unit of local government under Section 6(a) of Article VII of the Constitution; and

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

WHEREAS, as a home rule unit and pursuant to the Constitution, the City is authorized and empowered to issue multi-family housing revenue bonds for the purpose of financing the cost of acquiring, constructing, rehabilitating and equipping an affordable multi-family housing facility for low- and moderate-income families located in the City; and

WHEREAS, by this ordinance (the "Ordinance"), the City Council of the City (the "City Council") has determined that it is necessary and in the best interest of the City to provide certain financing to Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Borrower"), the general partner of which is Lofts 47 Phase I, Inc., an Illinois corporation; and

WHEREAS, the Borrower desires that the City issue, sell and deliver the City's multi-family housing revenue bonds (Shops and Lofts at 47th Project) Series 2012 in one or more series in an aggregate principal amount not to exceed \$20,000,000 (the "Bonds"), and lend the proceeds therefrom to the Borrower, to enable it to pay a portion of the costs of the acquisition, construction, rehabilitation and equipping of an approximately ninety-six (96) unit affordable multi-family housing project and related improvements, situated in five buildings (the "Residential Project"), located on the southwest corner of 47th Street between Cottage Grove Avenue and Evans Avenue and south of 47th Street along Evans Avenue in the City (the "Property"), and pay a portion of the costs of the issuance and other costs in connection with the Residential Project; and

WHEREAS, by this Ordinance, the City Council has determined that it is necessary and in the best interests of the City to borrow money for the purposes set forth above and to evidence its limited, special obligation to repay that borrowing, through the issuance of the Bonds; and

WHEREAS, the principal and interest on the Bonds will be secured by, among other things, a mortgage on the Property and certain other related collateral, by certain capital contributions to be made to the Borrower by its limited partners in connection with the allocation to the Borrower of federal low-income housing tax credits and by pledges and/or assignments of certain funds, personal property, and contractual rights of the Borrower and its affiliates; and

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

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political subdivision thereof to pay any principal installment of, premium, if any, or interest on the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, the City Council has determined by this Ordinance that it is necessary and in the best interests of the City to enter into one or more financing agreements, which may be in the form of (a) a Bond Issuance Agreement (the "Bond

Issuance Agreement") to provide for the issuance of the Bonds to finance a portion of the costs of the Residential Project, to be entered into among the City, the hereinafter defined Purchaser of the Bonds, and the hereinafter defined Fiscal Agent, providing for the security for and terms and conditions of the Bonds to be issued thereunder and (b) a Loan Agreement (the "Loan Agreement") between the City and the Borrower providing for the loan of the proceeds of the Bonds to the Borrower and the use of such proceeds, (c) a Tax Regulatory Agreement (the "Tax Agreement") among the City, the Fiscal Agent, and the Borrower, and (d) a Land Use Restriction Agreement between the City and the Borrower (the "Land Use Restriction Agreement"); and

WHEREAS, the City has certain funds available from a variety of funding sources ("Multi-Family Program Funds") to make loans and grants for the development of multi-family residential housing to increase the number of families served with decent, safe, sanitary and affordable housing and to expand the long-term supply of affordable housing, and such Multi-Family Program Funds are administered by the City's Department of Housing and Economic Development ("HED"); and

WHEREAS, HED has preliminarily reviewed and approved the-making of a loan to the Borrower in an amount not to exceed Five Hundred Fifty Thousand and No/100 Dollars (\$550,000) (the "Affordable Housing Loan") to be funded from the Multi-Family Program Funds pursuant to the terms and conditions set forth in Exhibit A attached hereto and made a part hereof; and

WHEREAS, pursuant to an ordinance adopted by the City Council on July 8, 1998, published at pages 72320 through 72402 of the Journal of the Proceedings of the City Council (the "Journal") of such date, which ordinance was amended on September 29, 2004, published at pages 31547 through 31768 of the Journal of such date, a certain redevelopment plan and project (the "Plan") for the 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on July 8, 1998 and published at pages 72403 through 72408 of the Journal for such date, which ordinance was amended on September 29, 2004, published at pages 31769 through 31777 of the Journal of such date the 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 July 8, 1998, and published at pages 72409 through 72413 of the Journal for such date, which ordinance was amended on September 29, 2004, published at pages 31778 through 31785 of the Journal of such date tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, the Borrower will be obligated to undertake the Residential Project and, in addition, the Commercial Developer (defined below) will be obligated to undertake the

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development and construction of approximately 55,000 square feet of commercial space to be used in part for a full service grocery store (the "Commercial Project", collectively with the Residential Project defined herein as the "Project") in accordance with the Plan and pursuant to the terms and conditions of the proposed Redevelopment Agreement, as defined hereinafter, to be executed by the Developers, as defined hereinafter, and the City, with such Project to be financed in part by certain pledged incremental taxes deposited from time to time in the 43rd Street/Cottage Grove Avenue Redevelopment Project Area Special Tax Allocation Fund (as defined in the TIF Ordinance; herein defined as the "Fund") pursuant to Section 5/11-74.4-8(b) of the Act ("Incremental Taxes"); and

WHEREAS, pursuant to its Resolution No. 12-CDC-23, (the "Resolution") adopted by the Community Development Commission of the City of Chicago (the "Commission") on July 10, 2012, the Commission has recommended that one or more of the Borrower, TCB Development Services LLC, an Illinois limited liability company ("TCB LLC"), Mahogany Chicago 47, LLC, an Ohio limited liability company licensed to transact business in Illinois and Mahogany Shops 47, LLC, an Ohio limited liability company licensed to transact business in Illinois (Mahogany Chicago 47, LLC and Mahogany Shops 47, LLC together shall be referred to as the "Commercial Developer") (Borrower, TCB LLC and the Commercial Developer together shall be referred to as the "Developers") be designated as the developer for the Project and that the HED be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developers, the form of which is attached as Exhibit B hereto and made a part hereof (the "Redevelopment Agreement"); and

WHEREAS, pursuant to an ordinance (the "Vacation and Opening Ordinance") adopted by the City Council on June 27, 2012, and published at pages 30506 through 30510 of the Journal for such date, the City vacated and opened certain public alleys to accommodate the assemblage of properties to be included in the Project. The Developers shall maintain the approximate four (4) foot remainder of PIN 20-10-206-011 that lies South of an opened public alley that was not included in the Vacation and Opening Ordinance and continues to be owned by the City. The City and the Developers may enter into a maintenance agreement over the remainder area ("Remainder Area") to be maintained by the Developer Parties; and

WHEREAS, the City is the owner of twenty-three (23) parcels of vacant land ("City Parcels") located at 4700 - 4750 South Cottage Grove Avenue, 733 - 747 East 47th Street, and 4717 - 4753 Evans Avenue, Chicago, as legally described on Exhibit C attached hereto and made a part hereof; and

WHEREAS, the City Parcels are located in the Area and the Developers and/or an affiliate of the Developers have proposed to purchase the City Parcels from the City for the Project for One and no/100 Dollars (\$1.00) for each of the twenty-three (23) parcels, which is an approximate \$2,241,000 post remediation value and write down from the fair market value for the City Parcels pursuant to the terms and conditions set forth in the Redevelopment Agreement; and

WHEREAS, TCB LLC has proposed to purchase nineteen (19) of the City Parcels, as legally described on Exhibit D attached hereto and made a part hereof, from the City, and Mahogany Shops 47, LLC has proposed to purchase four (4) of the City Parcels, as legally described on Exhibit E attached hereto and made a part hereof; and

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WHEREAS, TCB LLC shall immediately make a subsequent conveyance of the nineteen (19) City Parcels to the Borrower, for the development of affordable and market rate housing in the Project;

WHEREAS, Borrower shall immediately make a second subsequent conveyance to Mahogany Shops 47, LLC by a vertical subdivision of certain subterranean and air rights under and above those certain parcels of City Parcels and/or Developers' property, associated with PINs 20-10-206-001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 021, 024, 025, 031 and 033, as such subterranean and air rights, are legally described on Exhibit F attached hereto and made a part hereof; and

WHEREAS, Borrower may also make another immediate subsequent conveyance of a portion of PIN 20-10-206-025, not previously conveyed, to Mahogany Shops 47, LLC, as legally described on Exhibit G attached hereto and made a part hereof (Borrower's subsequent

conveyance as set forth on Exhibits F and G together shall be referred to as "Borrower Subsequent Conveyances"); and

WHEREAS, Mahogany Shops 47, LLC may also make a conveyance of PIN 20-10-206-008 to TCB LLC, and TCB LLC may make a subsequent conveyance to the Borrower, as legally described on Exhibit H attached hereto and made a part hereof; and

WHEREAS, by the Resolution, the Commission authorized HED to advertise its intention to enter into a negotiated sale with the Developers and/or affiliate of the Developers for the redevelopment of the City Parcels; approved HED's request to advertise for alternative proposals, and recommended that City Council approve the sale of the City Parcels to the Developers and/or an affiliate of the Developers if no alternative proposals were received without further Commission action; and

WHEREAS, no alternative proposals were received by the deadline indicated in the aforesaid notice; and

WHEREAS, the sale of a portion of the City Parcels from the City to the Developers and/or an affiliate of the Developers for ultimate conveyance to the Borrower in connection with the Residential Project may qualify under the Donation Tax Credit Program as an eligible donation thereby generating affordable housing tax credits under Section 3805/7.28 of the Illinois Affordable Housing Act, 20 ILCS 3895/1, et seq., and under the implementing regulations set forth in Title 47, Part 355 of the Illinois Administrative Code, 47 Ill. Adm. Code 355.101, et seq. (the "Donation Tax Credit Program") and further generating certain additional proceeds to be made available for the Residential Project; NOW, THEREFORE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO, AS FOLLOWS:

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

2, Findings and Determinations. The City Council hereby finds and determines that the delegations of authority that are contained in this Ordinance, including the authority to make the specific determinations described herein, are necessary and desirable because the

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City Council cannot itself as advantageously, expeditiously or conveniently exercise such authority and make such specific determinations. Thus, authority is granted to each hereinafter defined Authorized Officer to determine to sell the Bonds on such terms as and to the extent such officer determines that such sale or sales are desirable and in the best financial interest of the City. Any such designation and determination by an Authorized Officer shall be signed in writing by such Authorized Officer and filed with the City Clerk and shall remain in full force and effect for all purposes of this Ordinance unless and until revoked, such revocation to be signed in writing by an Authorized Officer and filed with the City Clerk.

3. Authorization of Bonds. The issuance of the Bonds in an aggregate principal amount of not to exceed \$20,000,000 is hereby authorized. The aggregate principal amount of the Bonds to be issued, and their division into one or more series of Bonds, shall be as set forth in the Notification of Sale referred to in Section 8 below.

The Bonds shall contain a provision that they are issued under authority of this Ordinance. The Bonds shall not mature later than four (4) years after the date of issuance thereof. The Bonds shall bear interest at a rate or rates not to exceed twelve (12%), payable on the interest

payment dates as set forth in the Bond Issuance Agreement and in the Notification of Sale, provided that, subject to such limitation, the Bonds may bear interest at variable interest rates computed from time to time at such rates and on such basis as shall be determined by reference to an established market index as shall be identified in the Bond Issuance Agreement. The Bonds shall be dated, shall be subject to redemption prior to maturity, shall be payable in such places and in such manner and shall have such other details and provisions as are prescribed by the Bond Issuance Agreement, the form(s) of the Bonds therein and the Notification of Sale.

The provisions for execution, signatures, authentication, payment and prepayment, with respect to the Bonds shall be as set forth in the Bond Issuance Agreement and the form(s) of the Bonds therein.

Each of (i) the Mayor of the City (the "Mayor"), the (ii) Chief Financial Officer of the City (as defined below) or (iii) any other officer designated in writing by the Mayor (the Mayor, the Chief Financial Officer or any such other officer being referred to as an "Authorized Officer") is hereby authorized to execute and deliver the Bond Issuance Agreement on behalf of the City, in substantially the form attached hereto as Exhibit I and made a part hereof and hereby approved with such changes therein as shall be approved by the Authorized Officer executing the same, with such execution to constitute conclusive evidence of such officer's approval and the City Council's approval of any changes or revisions from the form of the Bond Issuance Agreement attached to this Ordinance.

As used herein, the term "Chief Financial Officer" shall mean the Chief Financial Officer of the City appointed by the Mayor, or, if there is no such officer then holding said office, the City Comptroller.

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

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

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

An Authorized Officer is hereby authorized to execute and deliver a Tax Agreement on behalf of the City, in substantially the form of tax agreements used in previous issuances of tax-exempt bonds pursuant to programs similar to the Bonds, with appropriate revisions to reflect the terms and provisions of the Bonds and the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated

thereunder, and with such other revisions in text as the Authorized Officer executing the same shall determine are necessary or desirable in connection with the exclusion from gross income for federal income tax purposes of interest on the Bonds. The execution of the Tax Agreement by the Authorized Officer shall be deemed conclusive evidence of the approval of the City Council to the terms provided in the Tax Agreement.

4. Security for the Bonds. The Bonds shall be limited obligations of the City, payable from and/or secured by (i) a mortgage on and security interest in the Property and related collateral, (ii) certain capital contributions to be made to the Borrower by its limited partners in connection with the allocation to the Borrower of federal low-income housing tax credits and certain other funds, personal property, and contractual rights of the Borrower and its affiliates pledged and/or assigned to the Fiscal Agent, (iii) all right, title and interest of the City (other than certain reserved rights of the City, as described in the Loan Agreement) in the Loan Agreement, and (iv) the proceeds of the Bonds and income from the temporary investment thereof, as provided in the Bond Issuance Agreement. In order to secure the payment of the principal of, premium, if any, and interest on the Bonds, such rights, proceeds and investment income are hereby pledged to the extent and for the purposes as provided in the Bond Issuance Agreement and are hereby appropriated for the purposes set forth in the Bond Issuance Agreement. Nothing contained in this Ordinance shall limit or restrict the subordination of the pledge of such rights, proceeds and investment income as set forth in the Bond Issuance Agreement to the payment of any other obligations of the City enjoying a lien or claim on such rights, proceeds and investment income as of the date of issuance of the Bonds, all as shall be determined by the Authorized Officer at the time of the sale of the Bonds. The Bond Issuance Agreement shall set forth such covenants with respect to the application of such rights, proceeds and investment income as shall be deemed necessary by the Authorized Officer in connection with the sale of the Bonds issued thereunder.

5. Limited Obligations. The Bonds, when issued and outstanding, will be limited obligations of the City, payable solely as provided in the Bond Issuance Agreement. The Bonds

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and the interest thereon shall never constitute a debt or general obligation or a pledge of the faith, the credit or the taxing power of the City within the meaning of any Constitutional or statutory provision of the State of Illinois. The Bonds shall be payable solely from the funds pledged therefor pursuant to the terms of the Bond Issuance Agreement hereinafter described.

6. Assignment of Rights. The right, title and interest of the City (except for certain rights to notice, involvement in certain discussions related to the Bonds, indemnification, and reimbursement) in, to and under the Loan Agreement, and the revenues to be derived by the City thereunder will be assigned to the Fiscal Agent under the Bond Issuance Agreement.

7. Sale and Delivery of Bonds. Subject to the terms and conditions of the Bond Issuance Agreement and such additional terms as are set forth in the Notification of Sale with the approval of an Authorized Officer, the Bonds shall be sold and delivered to JPMorgan Chase Bank, N.A. or one or more of its affiliates ("Chase") as the purchaser of the Bonds, except that an Authorized Officer may select one or more additional or other purchaser(s) in place of Chase (the "Purchaser").

In connection with the offer and delivery of the Bonds, the Authorized Officer, and such other officers of the City as may be necessary, are authorized to execute and deliver such instruments and documents as may be necessary to implement the transaction and to effect the issuance and delivery of the Bonds. Any limitation on the amount of Bonds issued pursuant to this Ordinance as set forth herein shall be exclusive of any original issue discount or premium.

Chase or one of its affiliates may serve as fiscal agent under the Bond Issuance Agreement, except that an Authorized Officer may select another fiscal agent in place of Chase (the "Fiscal Agent").

8. Notification of Sale. Subsequent to the sale of any Bonds, the Authorized Officer shall file in the Office of the City Clerk a Notification of Sale for such Bonds directed to the City Council setting forth (i) the aggregate original principal amount of, maturity schedule, redemption provisions for and nature of each series of the Bonds sold, (ii) the extent of any tender rights to be granted to the holder of the Bonds, (iii) the identities of the Purchaser and the Fiscal Agent, (iv) the interest rates on the Bonds and/or a description of the method of determining the interest rate applicable to the Bonds from time to time, and (v) any other matter authorized by this Ordinance to be determined by an Authorized Officer at the time of the sale of any Bonds. There shall be attached to such notification the final form of the Bond Issuance Agreement and the Loan Agreement.

9. Use of Proceeds. The proceeds from the sale of the Bonds shall be deposited as provided in the Bond Issuance Agreement and used for the purposes set forth in the third paragraph of the recitals of this Ordinance.

10. Proxies. Each Authorized Officer may designate another to act as their respective proxy and to affix their respective signatures to each Bond, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by such Authorized Officer pursuant to this Ordinance or a Bond Issuance Agreement. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Authorized Officer, respectively. A written signature of the Mayor or the Authorized Officer, respectively, executed by the person so designated underneath, shall be

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attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Authorized Officer is so affixed to an instrument, certificate or document at the direction of the Authorized Officer in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Authorized Officer in person.

11. Execution of Bonds. The Bonds shall be executed by manual or facsimile signature of the Mayor of the City or the Authorized Officer, and the seal of the City shall be affixed or imprinted and attested to by the manual or facsimile signature of the City Clerk, as set forth in the related Bond Issuance Agreement, and the same shall be delivered to the Fiscal Agent for proper authentication and delivery upon instructions to that effect.

12. Volume Cap. The Bonds are obligations taken into account under Section 146 of the Code in the allocation of the City's volume cap.

13. HED Approval. Upon the approval and availability of the additional financing as shown in Exhibit A, the Commissioner of HED (the "Commissioner") and a designee of the Commissioner (collectively, the "HED Authorized Officer") are each hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the Affordable Housing Loan. The HED Authorized Officer is hereby authorized, subject to the approval of the Corporation Counsel, to negotiate any and all terms and provisions in connection with the Affordable Housing Loan which do not substantially modify the terms described in Exhibit A. Upon the execution and receipt of proper documentation, the HED Authorized Officer is hereby authorized to disburse the proceeds of the Affordable Housing Loan to the Borrower.

14. Additional Authorization. Each Authorized Officer, the City Treasurer, the HED Authorized Officer, and the City Clerk are each hereby authorized to execute and deliver such

other documents and agreements, including, without limitation, any documents necessary to evidence the receipt or assignment of any collateral for the Bonds from the Borrower, and perform such other acts as may be necessary or desirable in connection with the Bonds, including, but not limited to, the exercise following the delivery date of the Bonds of any power or authority delegated to such official under this Ordinance with respect to the Bonds upon original issuance (including the execution and delivery of amendments or supplements to Bond documents), but subject to any limitations on or restrictions of such power or authority as herein set forth.

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

16. Affordable Housing. Section 2-45-110 of the Municipal Code of Chicago (the "Municipal Code") shall not apply to the Residential Project or the Property.

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17. Reserve for Legal Expenses. The City is authorized to assess a fee in the amount of one-tenth of one percent of the aggregate principal amount of the Bonds, and to use such fee to pay for legal and other fees incurred by the City in connection with private activity bonds issued by the City.

18. Developer Designation. The Developers are hereby designated as the developers for the Project pursuant to Section 5/11-74.4-4 of the Act.

19. Conveyance of City Parcels. The City is hereby authorized to sell and convey to TCB LLC, for the subsequent transfers to the Borrower, and the Borrower's Conveyances of all or portions of the nineteen (19) City Parcels as set forth on Exhibits D, F and G, as attached hereto. The City is hereby also authorized to sell and convey to Mahogany Shop 47, LLC, four (4) City Parcels, as set forth on Exhibit E, all for the land write down sum of One and no/100 Dollars (\$1.00) per parcel in accordance with and subject to the terms of Redevelopment Agreement.

The Mayor or his proxy is authorized to execute, and the City Clerk to attest, a quitclaim deeds conveying to the respective Developers and/or an affiliate of any of the Developers for the consideration described therein and otherwise in accordance with and subject to the terms of such Redevelopment Agreement.

20. Donation Tax Credit Grant. The City hereby approves the conveyance of a portion of the City Parcels as a donation to the Developers, an affiliate of any of the Developers or other entity approved by the HED Commissioner from the City under the Donation Tax Credit Program in connection with the Residential Project. The HED Authorized Officer is hereby authorized to transfer the tax credits allocated to the City under the Donation Tax Credit Program in connection with the conveyance of a portion of the City Parcels to the Developers, an affiliate of any of the Developers or such other approved entity on such terms and conditions as are satisfactory to the HED Authorized Officer. The proceeds, if any, received by the City in connection with such transfer are hereby appropriated, and the HED Authorized Officer is hereby authorized to use such proceeds, to make a grant to the Developers and/or an affiliate of any of the Developers, in his or her sole discretion, for use in connection with the Residential Project (the "Grant"). The HED Authorized Officer is hereby authorized, subject to approval by the Corporation Counsel, to enter into and execute such agreements and instruments, and perform any and all acts as shall be necessary or advisable in connection with the implementation of the transfer and the Grant. Upon the execution and receipt of proper documentation, the HED Authorized Officer is hereby authorized to disburse the proceeds of the Grant to the Developers and/or an affiliate of any of the Developers, as applicable.

21. Redevelopment Agreement. The HED Authorized Officer is hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a Redevelopment Agreement with the Developers, and such other supporting documents, including but not limited to any maintenance agreement over the Remainder Area, as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement.

22. TIF Notes. The City Council of the City hereby finds that the City is authorized to (a) issue its tax increment allocation revenue obligation in the maximum principal amount of \$228,271 (the "Commercial Taxable Note"), (b) issue its tax increment allocation revenue

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obligation in the maximum principal amount of \$1,808,729 (the "Residential Taxable Note"), (c) issue its tax increment allocation revenue obligation in the maximum principal amount of \$722,689 (the "Commercial Tax-Exempt Note"), (d) issue its tax increment allocation revenue obligation in the maximum principal amount of \$5,726,311 (the "Residential Tax-Exempt Note"), (d) make a cash payment as provided in the Redevelopment Agreement for the payment of a portion of the eligible redevelopment project costs (as such term is defined under the Act) included within the Project (such costs shall be known herein and in the Redevelopment Agreement as "TIF-Funded Improvements"). The notes shall be issued and each shall be designated "Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project)" (each a "City Note" and collectively, the "City Notes"). The City Notes shall be substantially in the form attached to the Redevelopment Agreement, with such additions or modifications as shall be determined to be necessary by the Authorized Officer of the City, at the time of issuance to reflect the purpose of the issue, including a reallocation of the principal amount of the City Notes, as long as the aggregate principal amount of the City Notes does not exceed \$8,486,000. The City Notes 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 proceeds of the City Notes, up to a maximum of \$8,486,000, are hereby appropriated for the purposes set forth in this Section.

The City Notes shall bear interest at fixed interest rates per annum not to exceed the interest rates set forth in the Redevelopment Agreement. Interest ^{on the} Commercial Taxable Note and the Residential Taxable Note shall be subject to federal income taxes. Accrued and unpaid interest on each Note shall compound on January 1st of each year and thereafter bear interest at the same fixed interest rate that applies to the principal of the Notes.

The principal of and interest on each City Note shall be paid by check, draft or wire transfer of funds by the City Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names such City Note is registered at the close of business on the payment date, in any event no later than at the close of business on the 15th day of the month immediately after the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of such 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 on or before the maturity date.

The seal of the City shall be affixed to or a facsimile thereof printed on each City Note, and each 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 such City Note shall cease to be such officer before the delivery of such 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.

Each 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 such City Note, and showing the date of authentication. The City Notes 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 a City Note shall be conclusive evidence that such City Note has been authenticated and delivered under this Ordinance.

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The City shall cause books (the "Register") for the registration and for the transfer of the City Notes (to the extent such transfer is permitted under the 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 Notes. 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 Notes.

Upon surrender for a transfer of any City Note authorized under the Redevelopment Agreement 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 Authorized Officer (or his or her designee) and the Commissioner on the instrument of transfer, and (iv) any deliveries required under the Redevelopment Agreement, 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 the authorized principal amount of such City Note less previous principal payments. 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 such City Note. The Registrar shall not be required to transfer or exchange a City Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of such City Note nor to transfer or exchange a City Note after notice calling a City Note for prepayment has been made, nor during a period of five (5) days next preceding mailing of a notice of prepayment of principal of a City Note. No beneficial interests in a City Note shall be assigned, except in accordance with the procedures for transferring a City Note described above.

The person in whose name a City Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of and interest, if any, on such City Note shall be made only to or upon 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 such City Note to the extent of the sum or sums so paid.

No service charge shall be made for any transfer of a 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 such City Note.

Subject to the limitations set forth herein, the Authorized Officer is authorized to determine the terms of the City Notes and to issue the City Notes on such terms as the Authorized Officer may deem to be in the best interest of the City. The principal of each City Note shall be subject to determination, reduction and prepayment as provided in the form of City Notes attached to the Redevelopment Agreement and as provided in the Redevelopment Agreement. As directed by the Authorized Officer, the Registrar shall proceed with prepayment without further notice or direction from the City. The Registrar shall note on the payment schedule attached to each City Note the amount of any payment of principal or interest on such City Note, including the amount of any redemption or prepayment, and the amount of any reduction in principal pursuant to the Redevelopment Agreement.

The City Notes hereby authorized shall be executed as in this Ordinance and the Redevelopment Agreement provided as soon after the passage hereof as may be practicable and consistent with the terms of the Redevelopment Agreement.

Pursuant to the TIF Ordinance, the City has created a special fund, designated as the 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project Area Special Tax Allocation Fund (the "Fund"). The Authorized Officer of the City is hereby directed to maintain the Fund as a segregated interest-bearing account, separate and apart from the City's Corporate Fund or any other fund of the City. Pursuant to the TIF Ordinance, all Incremental Taxes received by the City for the Area shall be deposited into the Fund.

There is hereby created within the general account of the Fund a special subaccount to be known as the "Shops and Lofts at 47 Project Account" (the "Project Account"). The City shall designate and deposit, from time to time, into the Project Account an amount equal to the Available Incremental Taxes, as defined in the Redevelopment Agreement, as needed to make the Cash Payments, as defined in the Redevelopment Agreement, and make the payments on the City Notes. Subject to the terms and conditions of the Redevelopment Agreement, the City shall use the funds in the Project Account to make payments with respect to the Cash Payments and the City Notes until the Cash Payments and the City Notes have been fully repaid or refunded.

The City hereby assigns, pledges and dedicates the Project Account to the payment of the Cash Payments and the payment of the principal of and interest, if any, on the City Notes when due under the terms of the Redevelopment Agreement. Upon deposit, the moneys on deposit in the Project Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Project Account. All moneys on deposit in the Project Account shall be used to pay the Cash Payments and the principal of and interest on the City Notes, at maturity or upon payment or redemption prior to maturity, in accordance with its terms, which payments from the Project Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the City Notes and the Redevelopment Agreement in accordance with their terms (or the termination of the City's obligation to make such payments), the amounts on deposit in the Project Account, as applicable, shall be deposited in the Fund of the City and the Project Account shall be closed.

Each City Note is a special limited obligation of the City, and is payable solely from the Available Incremental Taxes and shall be a valid claim of the registered owner thereof only against said source. None of the City Notes shall be deemed to constitute 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(s) of the City Notes 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 Notes. The City's obligation to fully repay the City Notes is further limited by the terms and conditions of the Redevelopment Agreement.

Moneys on deposit in the Fund may be invested as allowed under Section 2-32-520 of the Municipal Code. Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the Cash Payments or the principal of or interest on the City Notes.

The Registrar shall maintain a list of the names and addresses of the registered owners from time to time of the City Notes and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

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

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

24. Inconsistent Provisions. All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict.

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

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

27. Effective Date. This Ordinance shall be in full force and effect immediately upon its passage and approval.

EXHIBIT A

Affordable Housing Loan

Source:	Multi-Family Program Funds
Amount:	Not to exceed \$550,000
Term:	Not to exceed 42 years
Interest:	up to three percent per annum or such interest rate as may be acceptable to the Commissioner
Security:	Non-recourse loan; junior mortgage on the Property (the "City Mortgage")

Additional Financing

The Bonds, as described in this Ordinance. The Bonds will be secured by a mortgage from the Borrower in favor of the Purchaser (the "Mortgage"), pursuant to the terms of the Bond Issuance Agreement. The Mortgage will grant the holder of the Bonds secured thereby a mortgage on the Property that is senior to the City Mortgage. The Bonds will be repaid by a portion of the proceeds of the Senior Loan, a portion of the low-income housing tax credit proceeds and a portion of the Tax increment Financing Loan, all as described below.

Senior Loan

Amount:	\$8,685,040 or such amount as may be acceptable to the Commissioner
Term:	Not to exceed 18 years
Source:	JPMorgan Chase Bank, N.A. or another entity acceptable to the Commissioner
Interest:	Not to exceed 12% per annum or such interest rate as may be acceptable to the Commissioner
Security:	Mortgage on the Property senior to the City Mortgage, the CHA Mortgage, and the DTC Mortgage, and secured by pledge of City Notes

CHA Loan

Amount:	\$8,374,409 or such amount as may be acceptable to the Commissioner
Term:	Not to exceed 42 Years
Source:	CHA or another entity acceptable to the Commissioner
Interest:	up to three percent per annum or such interest rate as may be acceptable to the Commissioner
Security:	Mortgage on the Property (the "CHA Mortgage") senior to the City Mortgage

4. Tax Increment Financing Loan

Amount: Approximately \$14,331,003* or such amount as may be acceptable to the Commissioner
Term: Not to exceed 42 years
Source: TCB Development Services, LLC
Interest: up to three percent per annum or such other interest rate acceptable to the Commissioner
Security: Mortgage on the Property junior to the City Mortgage
"loan amount consists of \$3,874,960 of certain cash payments made under the Redevelopment Agreement, \$1,808,729 principal amount of the Residential Taxable Note, \$5,726,311 principal amount of the Residential Tax-Exempt Note and accrued interest on such notes in the amount of \$2,921,003

5. Neighborhood Stabilization Program Loan

Amount: \$2,300,000 or such amount as may be acceptable to the Commissioner
Term: Not to exceed 42 years Source: The Community Builders, Inc.
Interest: 3.57% per annum or such other interest rate acceptable to the Commissioner
Security: Mortgage on the Property junior to the City Mortgage

6. Donation Tax Credit Loan

Amount: \$662,881 or such amount as may be acceptable to the Commissioner
Term: Not to exceed 42 years
Source: TCB LLC or another entity acceptable to the Commissioner
Interest: up to three percent per annum or such interest rate as may be acceptable to the Commissioner
Security: Mortgage on the Property (the "DTC Mortgage") junior to the City Mortgage

7. Illinois Department of Commerce and Economic Opportunity Loan

Amount: \$388,000 or such amount as may be acceptable to the Commissioner
Term: Not to exceed 42 years Source: The Community Builders, Inc.
Interest: up to three percent per annum or such other interest rate acceptable to the Commissioner

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Security: Mortgage on the Property junior to the City Mortgage

8. Low-Income Housing Tax Credit ("LIHTC") Proceeds

Amount: Approximately \$8,386,824 or such amount as may be acceptable to the Commissioner
Source: To be derived from the syndication of the LIHTCs allocated to the Residential Project

- 9. Borrower Contribution**
Amount: \$10,100

EXHIBIT B REDEVELOPMENT

AGREEMENT

(See attached.)

[leave blank 3" x 5" space for recorder's office]

This agreement was prepared
by and after recording return to:

Crystal S. Maher, Esq. City of
Chicago Law Department 121
North LaSalle Street, Room 600
Chicago, IL 60602

SHOPS AND LOFTS AT 47 REDEVELOPMENT AGREEMENT

This Shops and Lofts at 47 Redevelopment Agreement (the "Agreement") is made as of this ____ day of _____, 20_ , by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), Mahogany Chicago 47, LLC, an Ohio limited liability company ("Mahogany Chicago 47"), Mahogany Shops 47, LLC, an Ohio limited liability company ("Commercial Master Landlord", with Mahogany Chicago 47 and the Commercial Master Landlord collectively referred to herein as the "Commercial Developer"). TCB Development Services LLC, an Illinois limited liability company ("TCB LLC"), and Lofts 47 Phase I Limited Partnership, an Illinois limited partnership ("Lofts 47") (TCB LLC and Lofts 47 being collectively referred to as the "Residential Developers" and the Commercial Developer and the Residential Developers being collectively referred to as the "Developer Parties" or each developer party, individually, as the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on July 8, 1998: (1) "Approval of 43rd Street/Cottage Grove Avenue Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project;" (2) "Designation of 43rd Street/Cottage Grove Avenue Redevelopment Project Area as a Redevelopment Project Area pursuant to Tax

Adoption Ordinance"); and to induce redevelopment of areas located adjacent to the 43rd Street/Cottage Grove Redevelopment Project Area, the City Council adopted the following ordinances on September 29, 2004: (1) "An Ordinance of the City of Chicago, Illinois expanding the boundaries of the 43rd Street/Cottage Grove Redevelopment Project Area and designating the additional areas described in Section 2 of such ordinance as a redevelopment project area under the Act, thereby creating an expanded redevelopment project area to be known as the "Amended 43rd Street/Cottage Grove Redevelopment Project Area," (2) "An Ordinance of the City of Chicago, Illinois Designating the Amended 43rd Street/Cottage Grove Redevelopment Project Area as a Tax Increment Financing District," and (3) "An Ordinance Adopting Tax Increment Allocation Financing for the Amended 43rd Street/Cottage Grove Redevelopment Project Area" (the "Amended TIF Adoption Ordinance." which, together with the "Original TIF Adoption Ordinance," is referred to herein as the "TIF Adoption Ordinance") (collectively referred to herein as the "TIF Ordinances"). The Amended 43rd Street/Cottage Grove Redevelopment Project Area (the "Redevelopment Area") is legally described on Exhibit A hereto.

D. The Project: The project site is within the Redevelopment Area and occupies the southwest corner of the intersection of South Cottage Grove Avenue and East 47th Street (the "Property") as legally described on Exhibit B hereto. The City intends to purchase (or has purchased) that portion of the Property not currently owned by one or more Developer Parties (the "City Property"). The City, pursuant to an ordinance ("Vacation and Opening Ordinance") adopted by the City Council on June 27, 2012, and published at pages 30506 through 30510 of the Journal for such date, vacated and opened certain public alleys to accommodate the assemblage of properties to be included in the Project. Those vacated public ways shall increase the square footage of the City Property to be conveyed to the respective Developer entities. The Developer Parties shall maintain the approximate four (4) foot remainder of PIN 20-10-206-011 that lies south of opened public alley that was not included in the Vacation and Opening Ordinance and continues to be owned by the City. The City and the Developer Parties may enter into a maintenance agreement over the remainder area to be maintained by the Developer Parties. The portion of the Property that will be conveyed by the City to TCB LLC in connection with the Residential Component, and to Mahogany Shops 47, LLC in connection with the Commercial Component shall be conveyed with legal descriptions of said City Property as acquired by the City and is as follows:

Parcels conveyed to TCB LLC

- 20-10-206-001 (increased by alley vacation)
- 20-10-206-002 (increased by alley vacation)
- 20-10-206-003 (increased by alley vacation)
- 20-10-206-004 (increased by alley vacation)
- 20-10-206-005 (increased by alley vacation)
- 20-10-206-006 (increased by alley vacation)
- 20-10-206-007 (increased by alley vacation)
- 20-10-206-009 (increased by alley vacation)

Parcels conveyed to Mahogany Shops 47, LLC

- 20-10-206-026 (increased by alley vacation)
- 20-10-206-027
- 20-10-206-028
- 20-10-206-030

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- 20-10-206-010 (increased by alley vacation)
- 20-10-206-013
- 20-10-206-014
- 20-10-206-016
- 20-10-206-017

20-10-206-020
20-10-206-021 (increased by alley vacation)
20-10-206-024 (increased by alley vacation)
20-10-206-025 (increased by alley vacation,
will be split between residential and
commercial)
20-10-206-031 (increased by alley vacation)
20-10-206-033 (increased by alley vacation)

The Project will consist of three components (each, a "Component"), the first two of which will be located in a five (5) story mixed-use building: (i) approximately seventy-two (72) residential rental units (the "Main Residential Component"), (ii) approximately 55,000 square feet of ground floor commercial space (the "Commercial Component"), and (iii) three new buildings along South Evans Avenue and East 48th Street containing a total of twenty-one (21) residential rental units and the renovation of 4749 South Evans Avenue into three (3) residential units, for a total of twenty-four (24) residential units (the "Evans Residential Component") (the Main Residential Component and the Evans Residential Component are collectively referred to herein as the "Residential Component"). A portion of the Commercial Component will contain an approximately 41,000 square foot Wal-Mart grocery store or other regional or national grocery retailer (the "Full Service Grocery Store"). At least seventy five percent (75%) of the rental residential units in the Residential Component will be leased to households whose incomes are at or below sixty percent (60%) of area median income (the "Affordable Housing Units"). The permanent index numbers for the portion of the Property on which the Project will be constructed are as follows: 20-10-206-001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 013, 014, 016, 017, 019, 020, 021, 024, 025, 026, 027, 028, 029, 030, 031 and 033 (the "PINs").

The Developer Parties will complete their respective Component within the time frames set forth in Section 3.01 hereof. The Residential Component and the Commercial Component (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C hereto), together with the Developer Parties' other obligations under this Agreement, are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated by this Agreement.

E. **Redevelopment Plan:** The Project will be carried out in accordance with this Agreement and the Amended 43rd/Cottage Grove Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project (the "Redevelopment Plan") attached hereto as Exhibit D.

F. **City Financing:** The City agrees to make available, in the amounts set forth in Section 4.03 hereof, the City Funds as described herein, to finance a portion of the costs of the Project to pay for or reimburse the Developer Parties for the costs of TIF-Funded Improvements

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pursuant to the terms and conditions of this Agreement. The City has agreed to make available the City Funds in consideration of the Developer Parties' incurring the costs of the TIF-Funded Improvements and the other costs of the Project.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to the TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 4.03(b) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously

paid for from Available Incremental Taxes (including any such payment made pursuant to any City Note or any Cash Payment), to make payments of principal and interest on any City Note or any Cash Payment, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

SECTION 1. RECITALS

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

SECTION 2. DEFINITIONS

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

"43rd/Cottage Grove TIF Fund" shall mean the 43rd Street/Cottage Grove Avenue Tax Increment Financing Redevelopment Project Area Special Tax Allocation Fund (as defined in the Original TIF Adoption Ordinance), the special tax allocation fund created by the City in connection with the Redevelopment Area (as defined below) into which the Incremental Taxes (as defined below) will initially be deposited.

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

"Annual Compliance Reports" shall mean a signed report from (i) the Commercial Developer to the City (a) itemizing each of the Commercial Developer's obligations under the Agreement during the preceding calendar year, (b) certifying the Commercial Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Commercial Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.14); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); and (4) delivery of evidence of compliance with the Minimum Occupancy (Section 8.21); and (5) compliance with all other executory provisions of the Agreement; and

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(ii) the Residential Developers to the City (a) itemizing each of the Residential Developers' obligations under the Agreement during the preceding calendar year, (b) certifying the Residential Developers' compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Residential Developers' are not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) delivery of Financial Statements (Section 8.13); (2) delivery of updated insurance certificates, if applicable (Section 8.14); (3) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (4) delivery of evidence of compliance with Affordable Housing Covenant (Section 8.20); and (5) compliance with all other executory , provisions of the Agreement.

"Available Incremental Taxes" shall mean for

(A) the Cash Payments (as defined below), the Commercial Tax-Exempt Note (as defined below) and the Residential Tax-Exempt Note (as defined below) an amount equal to the Incremental Taxes (as defined below) in the 43rd/Cottage Grove TIF Fund and not pledged to the following HED projects which are prior obligations in the Redevelopment Area ("Prior Existing Liens"): (i) Hearts United Phases I, II and III, (ii) the City's Small Business Improvement Fund and (iii) the City's Broadband Initiative, and

(B) the Commercial Taxable Note (as defined below) and the Residential Taxable Note (as defined below) shall mean an amount equal to the Incremental Taxes deposited after the Closing Date in the 43rd/Cottage Grove TIF Fund attributable to the taxes levied on the Property and not pledged to the (i) Prior Existing Liens, (ii) Commercial Tax-Exempt Note or (iii) Residential Tax-Exempt Note, and at any time such increment described above is not sufficient to make payments due under the terms of the Commercial Taxable Note or the Residential Taxable Note, then the Available Incremental Taxes, if any is available, described in (A) above shall be used to make such payment, after any required payments have been made on the Commercial Tax-Exempt Note, Residential Tax-Exempt Note and Prior Liens as described in (A) above.

"Cash Payments" shall mean, collectively, Cash Payment A (as defined below) and Cash Payment B (as defined below), and individually, a "Cash Payment". The maximum amount of the Cash Payments in the aggregate shall not exceed \$4,364,000.

"Cash Payment A" shall mean the cash payment made by the City from Available Incremental Taxes to one of the Residential Developers designated by the Developer Parties upon the issuance of the Residential Component Certificate for the reimbursement of TIF-Funded Improvements related to the Residential Component. The Developer Parties will designate the amount of Cash Payment A no later than 15 business days prior to the expected Residential Component Certificate issuance date as determined by HED.

"Cash Payment B" shall mean the cash payment made by the City from Available Incremental Taxes to Mahogany Chicago 47 upon the issuance of the Commercial Component Certificate for the reimbursement of TIF-Funded Improvements related to the Commercial Component. The amount of Cash Payment B shall be the difference between Cash Payment A and \$4,364,000 (unless the Commercial Component Certificate is issued first, in which event the Developer Parties will designate

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the amount of Cash Payment B no later than 15 business days prior to the expected Commercial Component Certificate issuance date as determined by HED).

"CPE Lender" shall mean CDF Suballocatee [], LLC

"CPE Loan" shall mean the loan made by the CPE Lender to the Commercial Master Landlord constituting part of the Commercial Lender Financing.

"Certificate of Expenditure" shall mean any Certificate of Expenditure referenced in the City Notes (as defined below) pursuant to which the principal amount of the City Note (as defined below) will be established.

"Certificates" shall mean, collectively, the Commercial Component Certificate and the Residential Component Certificate described in Section 7.01, and individually, as the "Certificate."

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

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

"City Notes" shall mean, collectively, the Commercial Tax-Exempt Note (as defined below), the Commercial Taxable Note (as defined below), the Residential Tax-Exempt Note (as defined below) and the Residential Taxable Note (as defined below), and individually as the "City Note." The maximum principal amount of the City Notes in the aggregate shall not exceed \$8,486,000.

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

"Commercial Construction Contract" shall mean and refer to that certain construction contract, substantially in the form attached hereto as Exhibit E-1, to be entered into by the Commercial Developer with the contractor to be engaged to provide for construction of the Commercial Component, which contract shall be subject to HED's reasonable review and approval.

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

"Commercial Lender Financing" shall mean funds borrowed by the Commercial Developer from lenders and irrevocably available to pay for costs of Commercial Component, in the amount set forth in Section 4.01 hereof. The Commercial Lender Financing includes the CDE Loan and the Senior Lender Commercial Loans.

"Commercial Property" shall mean that portion of the Property containing the Commercial Component.

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"Commercial Taxable Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project) Taxable Series A-1 to be in the form attached hereto as Exhibit K-1 and in accordance with an amortization schedule to be attached upon issuance, in the maximum principal amount of approximately \$228,271, as evidenced by a Certificate of Expenditure, and subject to adjustment as set forth generally in Section 4.03, to be issued by the City to Mahogany Chicago 47 upon the issuance of the Commercial Component Certificate. The Commercial Taxable Note shall bear interest at an annual rate not to exceed the Maximum Taxable Interest Rate (as defined below). The maximum amount of the Commercial Taxable Note is also subject to ratable reduction in accordance with Section 4.03(b). The payment of the amounts due under the Commercial Taxable Note will be secured only with Available Incremental Taxes, on a parity basis with the Residential Taxable Note and on a subordinate basis with respect to the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note, such that in each year all scheduled payments and any delinquent payments, if any, owed on the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note should be paid prior to a scheduled

payment or a delinquent payment, if any, owed on the Commercial Taxable Note and the Residential Taxable Note.

"Commercial Tax-Exempt Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project) Tax-Exempt Series B-1 to be in the form attached hereto as Exhibit K-3 and in accordance with an amortization schedule to be attached upon issuance, in the initial maximum principal amount of approximately \$722,689, as evidenced by a Certificate of Expenditure, and subject to adjustment generally as set forth in Section 4.03, to be issued by the City to Mahogany Chicago 47 upon the issuance of the Commercial Component Certificate. The Commercial Tax-Exempt Note shall bear interest at an annual rate not to exceed the Maximum Tax-Exempt Interest Rate (as defined below). The maximum amount of the Commercial Tax-Exempt Note is also subject to ratable reduction in accordance with Section 4.03(b). The payment of the amounts due under the Commercial Tax-Exempt Note will be secured only with Available Incremental Taxes, on a parity basis with the Residential Tax-Exempt Note. The City may not prepay the Commercial Tax-Exempt Note without the consent of the Commercial Developer or the registered owner of the Commercial Tax-Exempt Note for a period of three years from the date which is six (6) months following the date of issuance of the Commercial Completion Certificate. The Commercial Developer may sell the Commercial Tax-Exempt Note at any time after the issuance of the Commercial Completion Certificate, but only to a Qualified Investor with no view to resale and pursuant to an acceptable investment letter and in a manner and on terms, otherwise reasonably acceptable to the City.

"Commercial Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Commercial Developer as the insured, noting the recording of this Agreement as an encumbrance against the Commercial Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Commercial Lender Financing, if any, issued by the Title Company.

"Commissioner" shall mean the Commissioner of the Department of Housing and Economic Development of the City.

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

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

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago, including but not limited to the Municipal Code of Chicago, 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" shall mean funds of the Developer Parties (other than funds derived from Lender Financing) available for the Project, which amount may be increased pursuant to Section 4.06 (Cost Overruns) or Section 4.03(b).

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

"Escrow Agreement" collectively, shall mean each Escrow Agreement establishing a construction escrow, entered into by the Title Company (or an affiliate of the Title Company), the City, in HED's sole discretion, the Commercial Developer (for the Escrow Agreement relating to the Commercial Component), one or more of the Residential Developers (for the Escrow Agreement relating to the Residential Component), and the applicable Developer Parties' lender(s), in form and content reasonably acceptable to HED.

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

"Financial Statements" shall mean complete certified (by a duly authorized representative of Developer Parties) and renewed financial statements of each of the Developer Parties prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

"General Contractor" shall mean, shall mean a general contractor to be designated by one or more of the Developer Parties, subject to the review and approval of HED.

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

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"HED" shall mean the Department of Housing and Economic Development of the City.

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/1 1-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into a special tax allocation fund, being 43rd/Cottage Grove TIF Fund, established to pay Redevelopment Project Costs and certain other redevelopment project costs incurred in the Redevelopment Area and obligations incurred in the payment thereof.

"Lender Financing" shall mean, collectively, the Commercial Lender Financing and the Residential Lender Financing.

"Maximum Taxable Interest Rate" shall mean shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of the Commercial Taxable Note or the Residential Taxable Note, as applicable, plus 200 basis points, but in no event exceeding eight and one-half percent (8.5%) per annum.

"Maximum Tax-Exempt Interest Rate" shall mean an annual rate equal to the median value of the Baa (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD") on the date which is 15 business days

before the Commercial Tax-Exempt Note or the Residential Tax-Exempt Note, as applicable, is issued plus 200 basis points, but in no event exceeding eight percent (8.00%) per annum.

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

"Minimum Occupancy" shall mean that a Full Service Grocery Store is constructed, occupied and open for business as part of the Commercial Component.

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

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

"PD Ordinance" shall mean Residential Business Planned Development No. 1095 that governs the Property, approved by the City Council and amended on July 25, 2012, as the same may be amended from time to time.

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

"PINs" has the meaning set forth in Recital D hereof.

"Plans and Specifications" shall mean construction documents containing an initial site plan and initial working drawings and specifications for the Project.

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"Prior Expenditure(s)" shall have the meaning set forth in Section 4.04(a) hereof.

"Prohibited Uses" means for the Commercial Component of the Project, the following: an automobile body and fender shop; an automobile repairs shop (mechanical or otherwise) or any business servicing motor vehicles, including, without limitation, any quick lube oil change services, tire centers, or any business storing or selling gasoline or diesel fuel at retail or wholesale; a shooting gallery; a pawn shop; a massage parlor; an off-track betting establishment; a church or other house of worship (except if such restriction would violate applicable laws); a night club; a flea market; mortuaries or funeral homes; a currency exchange; a resale shop; the manufacture, storage, distribution, production, sale of or any use involving pornographic materials or items, or any establishment featuring nude, topless or partially-clad dancing; and any other uses prohibited by the PD Ordinance.

"Project Budget" shall mean the budget attached hereto as Exhibit G, showing the total cost of the Project by line item, furnished by the Developer Parties to HED, in accordance with Section 3.04 hereof.

"Property" shall mean the property legally described in Exhibit B.

"Qualified Investor" shall mean a qualified institutional buyer ("QIB") or a registered investment company.

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/1 1-74.4-3(q) of the Act that are included in the budget set forth in the Plan or otherwise referenced in the Plan.

"Reimbursable Funds" shall mean, as applicable, disbursement of Cash Payments, as well as payments on the Commercial Taxable Note and on the Residential Taxable Note.

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit J, to be delivered by any of the Developer Parties to HED pursuant to Section 4.04 hereof in connection with the Cash Payments.

"Residential Component Certificate" shall mean the Residential Component Certificate described in Section 7.01.

"Residential Construction Contract" shall mean and refer to that certain construction contract, substantially in the form attached hereto as Exhibit E-2, to be entered into by one or more of the Residential Developers with the contractors to be engaged to provide for construction of the Residential Component, which contracts shall be subject to HED's reasonable review and approval.

"Residential Lender Financing" shall mean funds borrowed by the any of the Residential Developers from lenders and irrevocably available to pay for costs of Residential Component, in the amount set forth in Section 4.01 hereto. The Residential Lender Financing includes, but is not limited to, the Senior Lender Residential Loans.

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"Residential Property" shall mean that portion of the Property containing the Residential Component.

"Residential Taxable Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project) Taxable Series A-2 to be in the form attached hereto as Exhibit K-2 and in accordance with an amortization schedule to be attached upon issuance, in the maximum principal amount of approximately \$1,808,729, as evidenced by a Certificate of Expenditure, and subject to adjustment generally as set forth in Section 4.03, to be issued by the City to any of the Residential Developers, as directed by the Residential Developers to the City, upon the issuance of the Residential Component Certificate. The Residential Taxable Note shall bear interest at an annual rate not to exceed the Maximum Taxable Interest Rate. The maximum amount of the Residential Taxable Note is also subject to ratable reduction in accordance with Section 4.03(b). The payment of the amounts due under the Residential Taxable Note will be secured only with Available Incremental Taxes, on a parity basis with the Commercial Taxable Note and on a subordinate basis with respect to the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note, such that in each year all scheduled payments and any delinquent payments, if any, owed on the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note should be paid prior to a scheduled payment or a delinquent payment, if any, owed on the Residential Taxable Note and Commercial Taxable Note.

"Residential Tax-Exempt Note" shall mean the City of Chicago Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project) Tax-Exempt Series B-2 to be in the form attached hereto as Exhibit K-4 and in accordance with an amortization schedule to be attached upon issuance, in the initial maximum principal amount of approximately \$5,726,311, as evidenced by a Certificate of Expenditure, and subject to adjustment generally as set forth in Section 4.03, to be issued by the City to any of the Residential Developers, as requested by the Residential Developers to the City upon the issuance of the Residential Tax-Exempt Certificate. The Residential Tax-Exempt Note shall bear interest at an annual rate not to exceed the Maximum Tax-Exempt Interest Rate. The maximum amount of the Residential Tax-Exempt Note is also

subject to ratable reduction in accordance with Section 4.03(b). The payment of the amounts due under the Residential Tax-Exempt Note will be secured only with Available Incremental Taxes, on a parity basis with the Commercial Tax-Exempt Note. The City may not prepay the Residential Tax-Exempt Note without the consent of the Residential Developers or the registered owner of the Residential Tax-Exempt Note for a period of three years from the date which is six (6) months following the date of issuance of the Residential Completion Certificate. The Residential Developers may sell the Residential Tax-Exempt Note at any time after the issuance of the Residential Completion Certificate, but only to a Qualified Investor with no view to resale and pursuant to an acceptable investment letter and in a manner and on terms otherwise reasonably acceptable to the City

"Residential Title Policy" shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing Lofts 47 as the insured, noting the recording of this Agreement as an encumbrance against the Residential Property (as defined below), and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Residential Lender Financing issued by the Title Company.

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

"Senior Lender" means JPMorgan Chase Bank, N.A., or another entity acceptable to the City, or its respective successor or assigns.

"Senior Lender Commercial Loans" means the loans made by Senior Lender to Mahogany Chicago 47 in connection with the development of the Commercial Component.

"Senior Lender Residential Loans" means the loans made by Senior Lender to Lofts 47 in connection with the development of the Residential Component.

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Project and related improvements as required by the City or lender(s) providing Lender Financing).

"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on December 31, 2022, the year following the date on which the Redevelopment Area is no longer in effect.

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

"Title Company" shall mean a title company selected by the Developer Parties and approved by the City.

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

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

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SECTION 3. THE PROJECT

3.1 The Project. Subject to Section 18.17 hereof, and pursuant to the Plans and Specifications, (i) the Commercial Developer shall commence construction of the Commercial Component no later than six (6) months after the Closing Date and shall complete construction of the Commercial Component within twenty four (24) months of the commencement of construction and (ii) Lofts 47 shall commence construction of the Residential Component no later than six (6) months after the Closing Date and shall complete construction of the Residential Component within twenty four (24) months of the commencement of construction.

3.2 City Property.

(a) Acquisition of City Property. The following provisions shall apply to the City's acquisition of the City Property:

(i) Acknowledgment. The Developer Parties acknowledge that the City has undertaken the acquisition of City Property pursuant to the Redevelopment Plan and as authorized and approved by the City Council, including but not limited to the vacation and opening of certain City public ways pursuant to the Vacation and Opening Ordinance.

(ii) Agreement. The City has acquired the City Property and agrees to separately sell the City Property to TCB LLC and to Mahogany Shops. 47, LLC, respectively, as noted in Section D of the Recitals for One Dollar (\$1.00) per parcel. TCB LLC shall immediately make a subsequent conveyance of the City Property to Lofts 47 for use to develop the Residential Component, including the Affordable Housing Units. Lofts 47 shall immediately make a second subsequent conveyance to Mahogany Shops 47, LLC by a vertical subdivision of certain subterranean and air rights under and above those certain parcels of City Property and/or Developer Parties' property, associated with PINs 20-10-206-001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 021, 024, 025, 031 and 033, as such subterranean and air rights, as legally described on Exhibit B-3 attached hereto and made a part hereof. Lofts 47 may also make another immediate subsequent conveyance of a portion of PIN 20-10-206-025, not previously conveyed, to Mahogany Shops 47, LLC, as legally described on Exhibit B-4 attached hereto and made a part hereof. Mahogany Shops 47, LLC may make a conveyance of PIN 20-10-206-008 to TCB LLC, and TCB LLC may make a subsequent conveyance to Lofts 47. The Developer Parties shall maintain the approximate four (4) foot remainder of PIN 20-10-206-011 that lies south of

opened public alley that was not included in the Vacation and Opening Ordinance and continues to be owned by the City. The City and the Developer Parties may enter into a maintenance agreement over the remainder area to be maintained by the Developer Parties.

The City used \$2,992,825 of Incremental Taxes (the "City's Acquisition Payment") then on deposit in the 43rd/Cottage Grove TIF Fund to acquire the City Property. The City's Acquisition Payment is not part of the Project Budget; and

(b) Conveyance of City Property. The following provisions shall govern the City's conveyances of the City Property:

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(i) Form of Quitclaim Deed. Subject to the City's review and sole discretionary approval of any "reciprocal easement agreement," or similar document governing the use, sharing of costs and other operational issues arising from the Project and its ownership by more than one entity; and "joint construction management agreement," the City shall convey title to twenty (20) parcels of the City Property, associated with PINs 20-10-206-001, 002, 003, 004, 005, 006, 007, 009, 010, 013, 014, 016, 017, 019, 020, 021, 024, 025, 031 and 033, as legally described on Exhibit B-1, attached hereto and made a part hereof, by quitclaim deed to TCB LLC in connection with the Residential Component and shall also convey four (4) parcels of the City Property, associated with PINs 20-10-206-026, 027, 028, and 030, as legally described on Exhibit B-2, attached hereto and made a part hereof, by a separate quitclaim deed to Mahogany Shops 47, LLC in connection with the Commercial Component. The separate conveyances by the City of the City Property to TCB LLC and Mahogany Shops 47, LLC, respectively, the subsequent conveyance by TCB LLC of the City Property for the Residential Component to Lofts 47, a second subsequent conveyance by Lofts 47 to Mahogany Shops 47, LLC of certain subterranean and air rights under and above those certain parcels of City Property, associated with PINs 20-10-206-001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 021, 024, 025, 031 and 033, as such subterranean and air rights are legally described on Exhibit B-3, attached hereto and made a part hereof, and another subsequent conveyance of a portion of PIN 20-10-206-025, not previously conveyed, to Mahogany Shops 47, LLC, as legally described on Exhibit B-4 attached hereto and made a part hereof, and title for each of those conveyances and subsequent conveyances shall, in addition to the provisions of this Agreement, be subject to:

- (A) the Redevelopment Plan;
- (B) the standard exceptions in an ALTA insurance policy;
- (C) all general real estate taxes;
- (D) easements, encroachments, covenants and restrictions of record and not shown of record;
- (E) such other title defects as may exist; and
- (F) any and all exceptions caused by acts of any of the Developer Parties.

All other deeds made in relation to the subsequent transfers of the Property to the respective Developer Parties shall be made subject to the terms of the Agreement,

and the Permitted Liens, except those certain mortgages executed by any of the Developers in connection with Lender Financing provided to the Project.

(ii) The City Property Closing. The City Property closing shall take place on such date and at such place as the parties may mutually agree to in writing, but in no event earlier than the Closing Date.

(iii) Recordation of Quitclaim Deeds. The Developer Parties shall promptly record the respective quitclaim deeds for the City Property in the Recorder's Office of Cook County. The Developer Parties shall pay all costs for so recording the quitclaim deed.

(iv) Escrow. In the event that the Developer Parties require conveyance through an escrow, the Developer Parties shall pay all escrow fees.

3.3 Scope Drawings and Plans and Specifications. The Developer Parties have delivered the Scope Drawings and Plans and Specifications to HED and HED has approved same. After such initial approval, subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to HED as a Change Order pursuant to Section 3.05 hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer Parties shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

3.4 Project Budget. The Developer Parties have furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in the approximate amount of not less than \$45,725,370. The Commercial Developer hereby certifies with respect to the Commercial Component and the Residential Developers hereby certify with respect to the Residential Component that, together with the City Funds, the respective party (a) has the necessary Lender Financing and Equity in an amount sufficient to pay for all costs associated with the applicable Component; and (b) with respect to the applicable Component, the Project Budget is true, correct and complete in all material respects. The Developer Parties, as necessary and whenever applicable, shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for the applicable Component for approval pursuant to Section 3.05 hereof.

3.5 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the applicable Component of the Project must be delivered by the applicable Developer to HED concurrently with the progress reports described in Section 3.08 hereof; provided, that any Change Orders that would authorize or cause any of the following to occur must be submitted by the applicable Developer to HED for HED's prior written approval: (a) a reduction in the total square footage of a Component of the Project by more than 5%, (b) a change of the proposed uses of a Component of the Project, (c) an increase in the applicable portion of the Project Budget with respect to a particular Component by more than 10%, or (d) an extension in the construction schedule for the applicable Component of the Project of more than 6 months. The Developer Parties shall not authorize or permit the performance of any work relating to such Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer Parties of HED's written approval. The Commercial Construction Contract and the Residential Construction Contract, and each contract between the General Contractor and any subcontractor in excess of \$500,000, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of Available Incremental Taxes or proceeds of any City Note, the Cash Payments or provide any other additional assistance to the applicable Developer.

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

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

3.8 Progress Reports and Survey Updates. After commencement of construction, the Developer Parties shall provide HED with written monthly progress reports detailing the status of the Project, including the amount of TIF-Funded Improvements incurred and revised completion dates if necessary (with any change in completion date being considered a Change Order, requiring HED's written approval pursuant to Section 3.05). The Developer Parties shall provide three (3) copies of an updated Survey to HED if the same is required by any lender providing Lender Financing, reflecting improvements made to the applicable Component of the Property.

3.9 Inspecting Agent or Architect. An independent agent or architect (other than any Developer Parties' architect) approved by HED shall be selected to act as the inspecting agent or architect, at the Developer Parties' expense, for the Project.

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

3.11 Signs and Public Relations. The Developer Parties shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer Parties, the Property and the Project in the City's promotional literature and communications.

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

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

SECTION 4. FINANCING

4.1 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$45,725,370, to be applied in the manner stated in the Project Budget and funded from sources identified in Exhibit G.

4.2 Developer Funds. Equity and/or Lender Financing shall be used to pay all costs for the Project, including but not limited to Redevelopment Project Costs and costs of TIF-Funded Improvements.

4.3 City Funds.

(a) Uses of City Funds. City Funds may only be used to reimburse the Developer Parties (excluding the Commercial Master Landlord) for costs of, or to directly pay the costs of, TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to provide City funds (the "City Funds") from the sources and in the amounts described directly below to pay for or reimburse any of the Developer Parties (excluding the Commercial Master Landlord) for the costs of the TIF-Funded Improvements:

Source of City Funds _____ Maximum Amount

Available Incremental Taxes and/or \$12,850,000 TIF Bond Proceeds

provided, however, that the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed the lesser of \$12,850,000 or 28.1% of the actual total Project costs; and provided further, that the \$12,850,000 to be derived from Available Incremental Taxes and/or TIF Bond proceeds, if any, shall be available to pay costs related to TIF-Funded Improvements and allocated by the City for that purpose only so long as the amount of the Available Incremental Taxes deposited into the 43rd/Cottage Grove TIF Fund shall be sufficient to pay for such costs.

The City shall issue the City Notes and make the Cash Payments subject to the terms and conditions of this Agreement. Upon the issuance of the applicable Certificate for the applicable Component and the receipt of a Requisition Form, the City shall make the applicable Cash Payment. Cash Payment A will be made to the Residential Developer and Cash Payment B will

be made to Mahogany Chicago 47. The Residential Developer shall be required to use Cash Payment A and the proceeds of the Residential Taxable Note and the Residential Tax-Exempt Note either to directly pay for (or reimburse for the payment of) the costs of the TIF-Funded Improvements, or, if TCB LLC is the recipient of the Cash Payment A and/or the Residential Taxable Note and the Residential Tax-Exempt Note, to loan or contribute Cash Payment A and the proceeds of such City Notes to Lofts 47 to reimburse Lofts 47 for the costs of TIF-Funded Improvements or for Lofts 47 to use to pay costs of the Residential Component. In addition, if TCB LLC is the recipient of the Cash Payment A and/or the Residential Tax-Exempt Note and the

Residential Taxable Note, TCB LLC may loan or contribute the accrued interest on the Residential Taxable Note and the Residential Tax-Exempt Note to Lofts 47. Upon the issuance of the applicable Certificate for the applicable Component, the City shall issue the applicable City Note. The applicable City Note will start to accrue interest upon issuance of the applicable Certificate. Each of the City Notes shall mature on December 31, 2022, the year following the date on which the Redevelopment Area is no longer in effect. The Residential Tax-Exempt Note and the Commercial Tax-Exempt Note shall be repayable on a parity basis with one another and the Residential Taxable Note and the Commercial Taxable Note shall be subordinate to the Residential Tax-Exempt Note and the Commercial Tax-Exempt Note and be repayable on a parity basis with one another. Nonpayment of a Cash Payment and/or the principal or interest on a City Note due to the insufficiency of Available Incremental Taxes shall not be deemed an event of default by the City.

Notwithstanding anything to the contrary contained herein, if there are insufficient Redevelopment Project Costs with respect to either the Residential Component or the Commercial Component such that the Developer Parties cannot certify sufficient Redevelopment Project Costs for such Component in order to be eligible to receive the maximum amount of the Commercial Taxable Note and the Residential Taxable Note, the Developer Parties may request and the City shall issue more than one series of such taxable notes to one or more Developer Parties as identified by the Developer Parties to allow the Developer Parties to fully realize the maximum amount of City Funds. By way of illustration, if the Mahogany Chicago 47, LLC incurs \$500,000 in Redevelopment Project Costs over and above the total Cash Payment and City Notes to be paid to the Mahogany Chicago 47, LLC and the Residential Developer incurs \$500,000 in Redevelopment Project Costs less than the total Cash Payment and City Notes to be paid to the Residential Developer, then the Developer Parties may direct that the Residential Taxable Note attributable to the Residential Component be issued in two series such that a taxable note of \$500,000 would be issued to the Mahogany Chicago 47, LLC and thereafter immediately assigned to the Residential Developer and a taxable note in the principal amount representing the difference between \$500,000 and the original maximum principal amount of the Residential Taxable Note would be issued to the Residential Developer. For purposes of this Section 4.03(b), the City hereby consents in this event to the assignment of such taxable note by the Mahogany Chicago 47, LLC to the Residential Developer. Notwithstanding anything to the contrary contained in this Section 4.03(b), the Developer Parties shall have the right to make the election contemplated in this Section 4.03(b) only so long as (i) the total amount of City Funds does not increase, (ii) the recipient (not the assignee) of the applicable taxable note has incurred sufficient Redevelopment Project Costs, and (iii) the proportion of taxable City Notes to tax-exempt City Notes does not decrease from the current ratio of 1.4 (taxable) to 4.432 (tax-exempt); nor in any way shall the tax-exempt City Notes ratio increase above 4.432 (tax-exempt) to 1.4 (taxable).

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4.0 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer Parties with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). HED shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit H hereto sets forth the prior expenditures approved by HED as of the Closing Date as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer Parties, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer Parties pursuant to Section 4.02 hereof.

(b) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, including from, for example, the Residential Component to the Commercial Component (or vice versa), with transfers of costs and expenses from one line item to another (or from one Project Component to another), without the prior written consent of HED, being prohibited; provided, however, that such transfers among line items and Components, in an amount not to exceed \$100,000 individually or in an amount not to exceed \$300,000 in the aggregate, may be made without the prior written consent of HED.

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

4.6 Pledge of City Notes. The Developer Parties may pledge, assign or sell the City Notes, subject to the following conditions precedent:

(a) unless permitted under Section 18.15 or otherwise under this Agreement, the prior written consent of HED shall be obtained;

(b) the pledge, assignment or sale of the City Note must be to (i) an Affiliate, (ii) a lender providing Lender Financing which is disbursed through the Escrow to fund TIF-Funded Improvements, or (iii) a Qualified Investor; and

(c) the holder of the City Note shall deliver to the City a completed and executed form of anti-scofflaw affidavit and otherwise shall not be in breach or violation of applicable City ordinances.

4.7 Preconditions of Disbursement and Execution of Certificate of Expenditure. Prior to the Cash Payment or an execution of a Certificate of Expenditure in connection with the City Notes with respect to each Component, the applicable Developer Parties shall submit documentation regarding the applicable expenditures on TIF-Funded Improvements to HED, which shall be satisfactory to HED in its sole discretion. Delivery by such Developer to HED of any request for disbursement of a Cash Payment or execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a

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certification to the City, as of the date of such request for disbursement of a Cash Payment or request for execution of a Certificate of Expenditure, that:

(a) the total amount of the disbursement request in connection with a Cash Payment and request for Certificate of Expenditure in connection with a City Note represents the actual cost of the acquisition or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the applicable Component, and/or their payees;

(b) all amounts shown as previous payments on the current disbursement request in connection with a Cash Payment or request for Certificate of Expenditure in connection with a City Note have been paid to the parties entitled to such payment;

(c) the applicable Developer has approved all work and materials for the current disbursement request in connection with a Cash Payment or request for Certificate of Expenditure

in connection with a City Note, and such work and materials conform to the Plans and Specifications;

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

(e) the applicable Developer has received no notice and have no knowledge of any liens or claim of lien either filed or threatened against the applicable Component except for the Permitted Liens;

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

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

The City shall have the right, in its discretion, to require the applicable Developer Parties 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 in connection with a Cash Payment or execution of a Certificate of Expenditure in connection with a City Note 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 such Developer. In addition,

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the applicable Developer Parties shall have satisfied all other preconditions of disbursement of a Cash Payment and execution of a Certificate of Expenditure, including but not limited to requirements set forth in TIF Bond Ordinance, if any, the TIF Bonds, if any, the TIF Ordinances, the Escrow Agreement and this Agreement.

4.8 Conditional Grant. The Cash Payments, proceeds paid from the Commercial Taxable Note and Residential Taxable Note being provided hereunder are being granted on a conditional basis, subject to the Developer Parties' compliance with the provisions of this Agreement.

4.9 Cost of Issuance. The Developer Parties shall be responsible for paying all costs relating to the issuance of the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note, including costs relating to the opinion described in Section 5.09 hereof.

SECTION 5. CONDITIONS PRECEDENT/SUBSEQUENT

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

5.1 Project Budget. The Developer Parties shall have submitted to HED, and HED shall have approved, the Project Budget in accordance with the provisions of Section 3.04 hereof.

5.2 Scope Drawings and Plans and Specifications. The Developer Parties have submitted to HED, and HED has approved, the Scope Drawings and Plans and Specifications in accordance with the provisions of Section 3.03 hereof.

5.3 Other Governmental Approvals. The Developer Parties have secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to HED.

5.4 Financing. The Developer Parties have furnished proof reasonably acceptable to the City that the Developer Parties have Equity and Lender Financing in the amounts set forth in Exhibit G hereto to complete the Project and satisfy its obligations under this Agreement. The Developer Parties have furnished proof as of the Closing Date that the proceeds of Lender Financing are available to be drawn upon by the Developer Parties as needed and are sufficient as set forth in Exhibit G hereto to complete the Project. The Developer Parties have delivered to HED a copy of the Escrow Agreement. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a subordination agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer Parties, with the Office of the Recorder of Deeds of Cook County.

5.5 Acquisition and Title. On the Closing Date, the Commercial Developer shall furnish the City with a copy of the Commercial Title Policy for the Commercial Component, certified by the Title Company, showing the Commercial Master Landlord as the named insured with respect to the Commercial Property. In addition, on the Closing Date, Lofts 47 shall furnish the City with a copy of the Residential Title Policy for the Residential Component,

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certified by the Title Company, showing Lofts 47 as the named insured with respect to the Residential Property. Both the Commercial Title Policy and the Residential Title Policy shall be dated as of the Closing Date and shall contain only those title exceptions listed as Permitted Liens on Exhibit F hereto and shall evidence the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Developer Parties shall provide to HED, prior to the Closing Date, documentation related to the purchase or lease of the various portions of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Commercial Title Policy and the Residential Title Policy and any endorsements thereto, as applicable.

5.06 Evidence of Clean Title. Not less than five (5) business days prior to the Closing Date, the Developer Parties, at their own expense, shall have provided the City with current searches under the names of each Developer Party:

Secretary of State	Cook County Recorder
Secretary of State	Cook County Recorder U.S. District Court
Cook County Recorder	Clerk of Circuit Court, Cook County
Cook County Recorder	
Cook County Recorder	

UCC	Fixtures search
search	Federal tax search
Federal	State tax search
tax	Memoranda of judgments search
search	Pending suits and judgments
UCC	Pending suits and judgments
search	

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

5.7 Surveys. Not less than five (5) business days prior to the Closing Date, the Developer Parties shall have furnished the City with three (3) copies of the Survey, such Survey being certified to the City.

5.8 Insurance. The Developer Parties, at their own expense, shall have insured their respective portions of the Property in accordance with Section 12 hereof. At least five (5) business days prior to the Closing Date, certificates required pursuant to Section 12 hereof evidencing the required coverages shall have been delivered to HED.

5.9 Opinion of the Developer Parties' Counsel. On the Closing Date, the Developer Parties shall furnish the City with opinions of their respective counsel, substantially in the form attached hereto as Exhibit L with such changes as may be required by or acceptable to Corporation Counsel.

5.10 Evidence of Prior Expenditures. Not less than twenty (20) business days prior to the Closing Date, the Developer Parties shall have provided evidence satisfactory to HED in its sole discretion of the Prior Expenditures in accordance with the provisions of Section 4.04(a) hereof.

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5.11 Financial Statements. Not less than thirty (30) days prior to the Closing Date, the Developer Parties shall have provided Financial Statements to HED for its most recent three fiscal years, and audited or unaudited interim financial statements.

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

5.13 Environmental. The Developer Parties have provided HED with copies of that certain phase I environmental audit completed with respect to the Property and any phase II environmental audit with respect to the Property required by the City. The Developer Parties have provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audits.

5.14 Corporate Documents. Each Developer Party shall provide a copy of its limited partnership agreement, articles of organization or articles of incorporation, as applicable, containing the original certification of the Secretary of State of Illinois; a certificate of good standing or existence from the Secretary of State of Illinois and all other states in which such Developer Parties are qualified to do business; a general partner's certificate or corporate resolutions in such form and substance as the Corporation Counsel may reasonably require; and such other organizational and authority documentation as the City may reasonably request for the

Developer Parties or their owners. Each Developer Party and all required owners of each Developer Parties have provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date,

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

5.16 Developers Parties' Agreements and Perpetual Easement. The Developer Parties shall have delivered to the City (i) the reciprocal easement agreement or similar document governing the use, sharing of costs and other operational issues arising from the Project and its ownership by more than one entity; (ii) a joint construction management or similar agreement governing the construction of the Project; or (iii) similar agreement dealing with funding assurances by the providers of the Developer Parties' financing of funding for completion of the Project and also dealing with issues such as lender cure rights, protection of lien priority and funding procedures. All such agreements in (i), (ii), and (iii) shall be subject to review and approval by the City, which approval shall be in the City's sole discretion.

5.17 Real Estate Taxes. The City shall use reasonable efforts to obtain the waiver of any delinquent real estate tax liens on the Property prior to the Closing Date. If the City is unable to obtain the waiver of any such tax liens, either party may terminate the Agreement. If the City is unable to obtain the waiver of such taxes and the Developer Parties elect to close, the Developer Parties shall assume the responsibility for any such delinquent real estate taxes. The Developer Parties shall also be responsible for all taxes accruing after the Closing Date. Until a Certificate

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of Completion (as described in Section 7.01) is issued by the City, the Developer Parties shall notify the City that either the Property is certified as exempt from taxation or that the real estate taxes have been paid in full within ten (10) days of such payments.

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.1 Bid Requirement. Except as set forth in Section 6.01(b) below, or as otherwise agreed to by HED in writing, prior to entering into an agreement with any subcontractor for construction of the Project, the Commercial Developer and Residential Developer, as applicable, shall solicit, or shall cause the respective General Contractor to solicit, bids from qualified contractors eligible to do business with, and having an office located in, the City of Chicago, and shall submit all bids received to HED for its inspection and written approval. For the TIF-Funded Improvements, the Commercial Developer and Residential Developer, as applicable, shall select the respective General Contractor (or shall cause the respective General Contractor to select the subcontractor) submitting the lowest responsible bid (as reasonably determined by the respective Commercial Developer and Residential Developer, as applicable) who can complete that Component of the Project in a timely manner. The Commercial Developer and Residential Developer, as applicable, shall submit copies of the Construction Contracts to HED in accordance with Section 6.02 below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof. The Commercial Developer and Residential Developer, as applicable, shall ensure that the General Contractor shall not (and shall cause the General

Contractor to ensure that the subcontractors shall not) begin work on the respective Component of the Project until the Plans and Specifications have been approved by HED and all permits required for commencement of construction have been obtained.

(b) If, prior to entering into an agreement with a subcontractor for construction of a Component of the Project, the respective Developer does not solicit bids or otherwise obtain HED's approval pursuant to Section 6.01(a) hereof, then the fee of the respective General Contractor proposed to be paid out of City Funds shall be limited to 10% of the total amount of the Construction Contract. HED acknowledges that this Section 6.01(b) shall be applicable to the respective Developer's retention of subcontractors. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids for all subcontracts and select the lowest responsible bids (as reasonably determined by the Developer Parties).

6.2 Construction Contract. Prior to the execution thereof, Developer Parties shall deliver to HED a copy of both the proposed Commercial Construction Contract with the Commercial General Contractor and the proposed Residential Construction Contract with the Residential General Contractor selected to handle the Project in accordance with Section 6.01. Within ten (10) business days after execution of such contract by such Developer, the respective General Contractor and any other parties thereto, such Developer shall deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.3 Performance and Payment Bonds. Prior to commencement of construction for any work for the Project relating to construction in the public way, the Developer Parties shall

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require that the General Contractor be bonded for its performance and payment by sureties having an AA rating or better using American Institute of Architect's Form No. A311 or its equivalent. The City shall be named as obligee or co-obligee on such bond.

6.4 Employment Opportunity. The Developer Parties shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof, provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident hiring obligations in Section 10 shall be applied on an aggregate basis and the failure of the General Contractor to require each contractor and subcontractor to satisfy, or the failure of any one contractor or subcontractor to satisfy, such obligations shall not result in a default under or a termination of this Agreement or require payment of the City resident hiring shortfall amount so long as such Section 10 obligations are satisfied on an aggregate basis.

6.5 Multi-Project Labor Agreement. The Developer Parties shall cause the General Contractor to comply with that certain Settlement Agreement dated November 3, 2011, by and among the City, Chicago Regional Council of Carpenters, the Metropolitan Pier and Exposition Authority, the Public Building Commission of the City of Chicago, and the State of Illinois, because the Project budget is in excess of \$25,000,000, and, therefore, is subject to the provisions of that certain City of Chicago Multi-Project Labor Agreement (the "MPLA") dated February 9, 2011, by and among the City and the labor organizations comprising the Chicago & Cook County Building & Construction Trades Council. The Developer Parties shall cause the General Contractor to comply with the MPLA to the fullest extent legally permissible without violating other requirements applicable to the construction of the Project, including, without limitation, the requirements of the MBE/WBE Program, the City resident employment provisions, Housing Act Section 3, Davis-Bacon Act, the Contract Work Hours and Safety Standards Act and the Labor Standards Deposit Agreement. At the direction of HED, affidavits and other supporting

documentation shall be required of the Developer Parties, the General Contractor and the subcontractors to verify or clarify compliance with the MPLA.

6.6 Other Provisions. In addition to the requirements of this Section 6, the Commercial Construction Contract, the Residential Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.05 (Change Orders), Section 6.05 (Multi-Project Labor Agreement), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION

7.01 Certificates of Completion of Construction.

(a) Upon completion of the construction of the Commercial Component in accordance with the terms of this Agreement, and upon the Commercial Developer's written request, HED shall issue to the Commercial Developer the Commercial Component Certificate in recordable form certifying that the Commercial Developer has fulfilled its obligation to complete Commercial Component in accordance with the terms of this Agreement.

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(b) Upon completion of the construction of Residential Component in accordance with the terms of this Agreement, and upon the Residential Developers' written request, HED shall issue to the Residential Developers' the Residential Component Certificate in recordable form certifying that Residential Developers have fulfilled their obligation to complete the Residential Component in accordance with the terms of this Agreement.

(d) HED shall respond to each the Commercial Developer's and the Residential Developers' written request for the applicable Certificate within thirty (30) days by issuing either the applicable Certificate or a written statement detailing the ways in which the respective Component of the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by such respective Developer in order to obtain the applicable Certificate. The Commercial Developer and the Residential Developers may resubmit a written request for the applicable Certificate upon completion of such measures. HED shall respond to any such further written request by the respective Developer for the applicable Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the respective Component of the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the respective Developer in order to obtain the applicable Certificate.

(e) The Developer Parties acknowledge that the City will not issue the Certificates until the following conditions have been met:

- (i) For the Commercial Component Certificate, the Commercial Developer has (i) completed construction of the Commercial Component (including required parking), (ii) obtained all applicable City permits and (iii) provided documentation that Minimum Occupancy has been attained.
- (ii) For the Residential Component Certificate, the Residential Developers have (i) completed construction of the Residential Component (including required parking), (ii) received certificates of occupancy for all ninety-six (96) residential housing

units in the Residential Component, (iii) initially leased 40% of the market-rate housing units and (iv) initially leased all of the Affordable Housing Units.

- (iii) For each Certificate, the Residential Developers and the Commercial Developer, as applicable, have satisfied the City's environmental requirements as to the applicable Component of the Project as referenced in "Chicago Builds Green Form" that is part of the PD Ordinance.
- (iv) For both the Residential Component Certificate and the Commercial Component Certificate, the Residential Developers and the Commercial Developer, as applicable, have submitted adequate documentation of total project costs respective to each Component of the Project.
- (v) the City's monitoring unit has determined in writing that the respective Developer is in complete compliance with all requirements of Section 10 with respect to such Component.

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

Those covenants specifically described at Sections 8.01(d), 8.01(e), 8.02, 8.06, 8.19 and 8.20, 8.21 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants" set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer Parties or a permitted assignee of the Developer Parties who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer Parties' rights under this Agreement and assume the Developer Parties' liabilities hereunder.

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

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

8.01 General. Each Developer individually and severally and in no case jointly represents, warrants and covenants as of the date of this Agreement and as of the date of the disbursement of a Cash Payment or issuance and delivery of the respective City Note and each increase in the principal amount of the respective City Note or payment thereunder, and only with respect to the Component of the Project in which such Developer has an economic interest, that:

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

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

(c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary corporate action, and does not and will not violate, as appropriate, its Articles of Organization or Articles of Incorporation or bylaws or operating

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agreement or partnership agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

(d) the Commercial Master Landlord will possess and shall maintain good, indefeasible and merchantable fee simple or leasehold title to the Commercial Property free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Commercial Master Landlord is contesting in good faith pursuant to Section 8.15 hereof);

(e) Lofts 47 will possess and shall maintain good, indefeasible and merchantable fee simple or leasehold title to the Residential Property free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Lofts 47 is contesting in good faith pursuant to Section 8.15 hereof);

(f) the applicable Developer is now and until the earlier to occur of (i) the expiration of the Term of the Agreement, and (ii) the date, if any, on which Developer has no further economic interest in the Project, shall remain solvent and able to pay its debts as they mature;

(g) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending or, to the best of the applicable Developer's knowledge, threatened, or affecting the Developer which would impair its ability to perform under this Agreement;

(h) the applicable Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Developer's Component of the Project, and shall submit evidence thereof to HED prior to the issuance of a Certificate by HED;

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

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

(k) prior to the issuance of the Certificates and except as contemplated hereby, the applicable Developer shall not do any of the following without the prior written consent of HED: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease (except the master lease between the Commercial Master Landlord and Mahogany Chicago 47 and leases entered into in the ordinary course of the Developer's business, or otherwise dispose of all or substantially all of its assets or any portion of the Property; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity (other than

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guarantees among the Developer Parties) in connection with the Project; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's ability to undertake its obligations under this Agreement;

(1) the applicable Developer has not incurred, and, prior to the issuance of the applicable Completion Certificate, shall not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the applicable Component of the Project other than the Permitted Liens or Non-Governmental Charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof; or incur any indebtedness, secured or to be secured by the Component of the Project or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the respective Project Budget, except easements, recordable interests and liens in the Property that are necessary for the redevelopment of the Property;

(m) None of Developer Parties, or any affiliate thereof are listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subsection only, "affiliate" means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

8.2 Covenant to Redevelop. Upon HED's approval of the applicable Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.04 and 3.05 hereof, and the applicable Developer's receipt of all required building permits and governmental approvals, the Residential Developers shall deliver the Residential Component and the Commercial Developer shall develop the Commercial Component in accordance with this Agreement and all Exhibits attached hereto and in accordance with each Developer's respective obligations related to the such Developer's respective Component, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to such Component and Developer Party. The covenants set forth in this Section shall run with the land and the improvements thereon and be binding upon any transferee.

8.3 Redevelopment Plan. Each Developer represents that its respective Component of the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

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

8.5 Bonds. Subject to the three-year lock-out periods on the City Notes, the Developer Parties shall, at the request of the City, agree to any reasonable amendments to this Agreement

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

8.6 Use of the Project.

(a) The Developer Parties agree that the types of uses permitted in the Project shall be of a retail and/or commercial nature found in first class shopping, retail and office centers, of a similar size and location in the City, as well as affordable housing and market-rate housing, and that, without the prior written consent of HED, the Project shall not be used for any other use. The Commercial Component of the Project shall not be used for any Prohibited Use during the Term of the Agreement without HED's prior written consent. Upon seeking HED's consent to a different use for the Project other than as described above, the Developer Parties shall provide a rationale for such change. Notwithstanding the foregoing to the contrary, permitted uses of the Property shall only be as allowed by this Agreement, the Redevelopment Plan and the PD Ordinance and any approved amendment thereof. The PD Ordinance provisions shall control over any discrepancy concerning the permitted uses of the Property contemplated by this Agreement, the Redevelopment Plan and the PD Ordinance.

(b) The City may also declare an Event of Default if any of the following events occur: (i) the sale by the applicable Developer of its Component of the Project or a transfer of any interest of such Developer in the Component of the Project not permitted under this Agreement (and further excluding leasehold interests granted to commercial and residential tenants and transfers of limited partner interests in Lofts 47 to an affiliate of Hudson Shops and Lofts LLC, a Delaware limited liability company); and (ii) the destruction of the Component such that the Component can no longer be used as contemplated by this Agreement, if the Component is not rebuilt by the applicable Developer within a reasonable time period (subject to the availability of insurance and provided the City shall cooperate with such Developer as may be necessary to pursue and process insurance claims related to such destruction).

The covenants set forth in this Section 8.06 shall run with the land and the improvements thereon and be binding upon any transferee of the applicable Developer Party.

8.7 Employment Opportunity. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial

Component covenant and agree to abide by, and contractually obligate and use reasonable efforts to cause their respective General Contractor and each subcontractor to abide by, the terms set forth in Section 10 hereof; provided, however, that the contracting, hiring and testing

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requirements associated with the MBE/WBE and City resident obligations in Section 10 shall be applied on an aggregate basis by Component and the failure of the General Contractor to require each subcontractor to satisfy, or the failure of any one subcontractor to satisfy, such obligations shall not result in a default or a termination of the Agreement or require payment of the City resident hiring shortfall amount so long as such Section 10 obligations are satisfied on an aggregate basis by Component.

8.8 Employment Profile. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component shall submit, and contractually obligate and cause their respective General Contractor or any subcontractor to submit, to HED, from time to time, statements of its employment profile, including the number of jobs created and retained at the applicable Component.

8.9 [Intentionally Deleted]

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

8.11 Conflict of Interest. Pursuant to Section 5/1 1-74.4-4(n) of the Act, the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component represent, warrant and covenant that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or such Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, direct or indirect, in such Developer's business, the applicable Component or any other property in the Redevelopment Area.

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

8.13 Financial Statements. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component shall obtain and provide to HED Financial Statements for each fiscal year of such Developer after the Closing Date for the Term of the Agreement so long as such Developer owns an economic interest in the applicable Component Project. In addition, each Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

8.14 Insurance. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component, at their own expense, shall comply with all provisions of Section 12 hereof.

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

(b) Right to Contest. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component shall have the right, before any delinquency occurs:

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

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

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

8.17 Compliance with Laws. To the best of each Developer's knowledge, after diligent inquiry, the Property and the Project are and shall be in material compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes

pertaining to or affecting the Project and the Property, including but not limited to the Municipal Code of Chicago, 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 the performance of this Agreement. Upon

the City's request, the Developer Parties shall provide evidence satisfactory to the City of such compliance.

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

8.19 Real Estate Provisions.

(a) Governmental Charges, (i) Payment of Governmental Charges. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component agree to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon such Developer or Component of the Project, or become due and payable, and which create, may create, or appear to create a lien upon such Developer or all or any portion of the applicable Component of the Property. Until such time as the applicable Completion Certificate has been issued, the respective Developer of each Component shall notify the City that the real estate taxes have been paid in full within ten (10) days of such payment. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Property, including but not limited to real estate taxes.

(ii) Right to Contest. With respect to the applicable Component of the Project, the applicable Developer shall have the right before any delinquency occurs to contest or object in good faith to the amount or validity of any Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted in such manner as shall stay the collection of the contested Governmental Charge and prevent the imposition of a lien or the sale or forfeiture of the Property. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending such Developer's covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless such Developer has given prior written notice to HED of its intent to contest or object to a Governmental Charge and, unless, at HED's sole option,

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

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

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

(c) Insurance. In addition to the insurance required pursuant to Section 12 hereof, the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component shall procure and maintain the following insurance:

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

8.20 Affordable Housing Covenant.

(a) The Residential Developers agree and covenant to the City that the provisions of that certain Regulatory Agreement executed by Lofts 47 and HED as of the date hereof in connection with HED's allocation of low income housing tax credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, in connection with the Residential Component of the Project shall govern the terms of the Residential Developers' obligation to provide the Affordable Housing Units.

(c) The covenants set forth in this Section 8.20 shall run with the land and be binding upon any transferee.

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8.21 Commercial Component Minimum Occupancy. Upon the issuance of the Commercial Component Certificate, the Commercial Developer shall maintain for the 12 months preceding Commercial Developer's delivery of the Annual Compliance Report, the Minimum Occupancy in order to receive payments on the Commercial Taxable Note. The covenants set forth in the Section 8.21 shall run with the land and be binding upon any transferee.

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

8.23 Prohibition on Certain Contributions - Mayoral Executive Order No. 2011-4.

Each of the Developer Parties agrees that the respective Developer Parties, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer Parties of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer Parties' contractors (i.e., any person or entity in direct contractual privity with Developer Parties 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 (the respective Developer Parties and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall not make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee (i) after execution of this Agreement by Developer Parties, (ii) while this Agreement or any Other Contract is executory, (iii) during the term of this Agreement or any Other Contract between the respective Developer Parties and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Each of the Developer Parties represents and warrants that from the later to occur of (a) May 16, 2011, and (b) the date the City approached the respective Developer Parties or the date the respective Developer Parties 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.

Each of the Developer Parties agrees that it shall- not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political 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.

Each of the Developer Parties agrees that the Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Each of the Developer Parties agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted, 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

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equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If any of the Developer Parties intentionally violates this provision or Mayoral Executive Order No. 2011-4 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 is 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 any of the Developer Parties 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

8.24 Annual Compliance Report. Beginning with the issuance of the Commercial Component Certificate to the Commercial Developer and the Residential Component Certificate to the Residential Developers and continuing throughout the Term of the Agreement, the Commercial Developer and the Residential Developers, each and respectively, 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.

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SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

9.1 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. This Agreement is, and upon delivery, the City Notes will be, the valid and binding obligations of the City, enforceable against the City in accordance with their respective terms.

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

SECTION 10. DEVELOPER PARTIES' EMPLOYMENT OBLIGATIONS

10.01 Employment Opportunity. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various respective contractors, subcontractors or any Affiliate of the Developer Party operating on the Property (collectively, with the Developer Party, the "Employers" and individually an "Employer") to agree, that for the Term of this Agreement with

respect to the Developer Party and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

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

(b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the

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construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.

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

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

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

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

10.02 City Resident Construction Worker Employment Requirement. The Residential Developers with respect to the Residential Component and the Commercial Developer with

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

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

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

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

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The Commercial Developer shall submit reports to the Commissioner evidencing compliance with this Section 10.02 after the following periods: (1) upon expenditure of 50 percent of the total costs of the Commercial Component; (2) upon expenditure of 70 percent of the total costs of the Commercial Component; and (3) upon completion of the Commercial Component. Such reports shall include weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) which clearly identify the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Residential Developers shall submit reports to the Commissioner evidencing compliance with this Section 10.02 after the following periods: (1) upon expenditure of 50 percent of the total costs of the Residential Component; (2) upon expenditure of 70 percent of the total costs of the Residential Component; and (3) upon completion of the Residential Component. Such reports shall include weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) which clearly identify the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

Good faith efforts on the part of the Developer Parties, 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 Purchasing Agent) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work on the Project is completed, in the event that the City has determined that the Residential Developers with respect to the Residential Component and/or the Commercial Developer with respect to the Commercial Component have failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the respective Project Budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by such Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. 39

Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer Parties, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer Parties pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Purchasing Agent's determination as to whether the Developer Parties must surrender damages as provided in this paragraph.

With respect to compliance with the requirements of this Section, if one Component is requesting a Completion Certificate under Section 7.01 prior to the time that compliance information for both Components is available, such Component may receive a compliance determination at the time of its request as long as it pays any liquidated damages due hereunder with respect to non-compliance under its Component;

For purposes of determining compliance with this Section in connection with the issuance of a Commercial Component Certificate or a Residential Component Certificate under Section 7.01 hereof, each Component will be measured separately, but any shortfall on one Component may be remedied by an overage on the other Component.

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

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

10.03 The Developer Parties' MBE/WBE Commitment. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the

Commercial Component agree for themselves and their successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate its respective General Contractor to agree that, during the Project:

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

- i. At least 24 percent by MBEs.
- ii. At least 4 percent by WBEs.

b. For purposes of this Section 10.03 only, the Developer Parties (and any party to whom a contract is let by a Developer in connection with the Project) shall be deemed a "contractor"

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and this Agreement (and any contract let by a Developer in connection with the Project) shall be deemed a "contract" as such terms are defined in Section 2-92-420, Municipal Code of Chicago.

c. Consistent with Section 2-92-440, Municipal Code of Chicago, each Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. The Developer or the General Contractor may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in its activities and operations other than the Project.

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

e. Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the respective Developer shall be

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

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

g. Prior to the commencement of the Project, the Developer Parties, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of HED with regard to each Developer's compliance with its obligations under this Section 10.03. During this meeting, each Developer shall demonstrate to HED its plan to achieve its obligations

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under this Section 10.03, the sufficiency of which shall be approved by HED. During the Project, each Developer shall submit the documentation required by this Section 10.03 to the monitoring staff of HED, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards 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 HED, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

h. For purposes of determining compliance with this Section in connection with the issuance of a Commercial Component Certificate or a Residential Component Certificate under Section 7.01 hereof, each Component will be measured separately, but any shortfall on one Component may be remedied by an overage on the other Component.

SECTION 11. ENVIRONMENTAL MATTERS

(a) The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component hereby represent and warrant to the City that such Developer has conducted environmental studies sufficient to conclude that the applicable Component of the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Scope Drawings, Plans and Specifications and all amendments thereto, and the Redevelopment Plan.

(b) Without limiting any other provisions hereof, the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component agree to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer Parties: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous

Material from all or any portion of the Property, or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer Parties or any of their respective Affiliates under any Environmental Laws relating to the Property.

(c) The City makes no covenant, representation or warranty as to the environmental condition of the City Property or its suitability for any purpose whatsoever, and the Developer Parties agree to accept the City Property "as is".

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It shall be the responsibility of the Developer Parties, at their sole cost and expense, to investigate and determine the soil and environmental condition of the City Property. Prior to the Closing Date, the Developer Parties shall have been given the right to conduct such environmental tests on the City Property as they deem necessary or appropriate.

The Developer Parties agree to carefully inspect the City Property prior to the commencement of any activity thereon to make sure that such activity shall not damage surrounding property, structures, rail lines, utility lines or any subsurface lines or cables. The Developer Parties shall be solely responsible for the safety and protection of the public. The City reserves the right to inspect any work being done on the City Property. Prior to the conveyance of the City Property, and except as may be expressly consented to by the City, the Developer Parties' activities on the City Property shall be limited to those reasonably necessary to perform the environmental testing. The Developer Parties shall keep the City Property free from any and all liens and encumbrances arising out of any environmental remediation work performed, materials supplied or obligations incurred by or for the Developer, Parties, and agrees to indemnify and hold the City harmless against any such liens.

The Developer Parties agree to deliver to the City a copy of each report prepared by or for the Developer Parties regarding the environmental condition of the City Property.

If, after the Closing, the environmental condition of the City Property is not in all respects entirely suitable for the use to which it is to be utilized pursuant to the terms of this Agreement, it shall be the sole responsibility and obligation of the Developer Parties to take such action as may be necessary to put the City Property in a condition entirely suitable for such intended use. The Developer Parties agree to release and indemnify the City from any claims and liabilities relating to or arising from the environmental condition of the City Property and to undertake and discharge all liabilities of the City arising from any environmental condition which existed on the City Property prior to the Closing.

SECTION 12. INSURANCE

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

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

(i) Workers' Compensation and Employers Liability Insurance

Workers' Compensation and Employers Liability Insurance, as prescribed by applicable law, covering all employees who are to provide a service

under or in connection with this Agreement, and employer's liability coverage, with limits of not less than \$100,000.00 for each accident or illness.

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

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

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

(i) Workers' Compensation and Employers Liability Insurance

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

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

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000.00 per occurrence, for bodily injury, personal injury and property damage liability. Coverage extensions shall include the following: all premises and operations, products/completed operations (for a minimum of two (2) years following completion of construction of the Project) explosion, collapse, underground, independent contractors, separation of insureds, defense and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Agreement.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed in connection with this Agreement, the Developer Parties shall provide, or cause to be provided, Automobile Liability Insurance with limits of not less than \$2,000,000.00 per

occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(iv) Railroad Protective Liability Insurance

When, in connection with this Agreement, any work is to be done adjacent to or on property owned by a railroad or public transit entity, the Developer Parties shall provide, or cause to be provided, with respect to the operations that the Developer Parties perform, Railroad Protective Liability Insurance in the name of such railroad or public transit entity. The policy shall have limits of not less than \$2,000,000 per occurrence 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 General Contractor undertakes any construction, including improvements, betterments, and/or repairs, the General Contractor shall provide, or cause to be provided, All Risk Builder's Risk Insurance at replacement cost for materials, equipment, machinery and fixtures that are or will be part of the permanent facilities. Coverage extensions shall include but are not limited to the following: boiler and machinery (if applicable) and collapse. The City of Chicago shall be named as additional loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors or omissions shall be maintained with limits of not less than \$1,000,000.00. Coverage extensions shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Project. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

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

(viii) Contractors' Pollution Liability Insurance

When any remediation work is performed in connection with this Agreement which may cause a pollution exposure, Contractors' Pollution Liability Insurance shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation,

clean-up costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede start of work in connection with this Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Other Provisions

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

—Original certificates of insurance evidencing the required coverage, showing the City as a certificate holder and, if applicable, loss payee or additional insured, to be in force on the date of execution of this Agreement, and renewal certificates of insurance or other evidence of renewal, if the coverages have an expiration or renewal date occurring during the Term of the Agreement. Each certificate of insurance shall provide that the City is to be given sixty (60) days prior written notice in the event coverage is substantially changed, canceled or not renewed; and

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

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

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

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

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

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

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

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

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

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

SECTION 13. INDEMNIFICATION

The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component agree, individually and severally and in no cases jointly or with respect to the obligation of any other Developer Party hereunder, to indemnify, defend and hold the City harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the City arising from or in connection with (i) such Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) such Developer's or any

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contractor's failure to pay General Contractor, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other improvement for the Project, or (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by such Developer or its agents, employees, contractors or persons acting under the control or at the request of such Developer or (iv) such Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto, or (v) any actions resulting from any action undertaken by such Developer on the City Property prior to or after the conveyance of the City Property to TCB LLC by the City.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

15.01 Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Sections 15.03 and 15.05, shall constitute an "Event of Default" by the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component hereunder:

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

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

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(c) the making or furnishing by the applicable 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 when made;

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

(e) the commencement of any proceedings in bankruptcy by or against the applicable Developer or for the liquidation or reorganization of such Developer, or alleging that such Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of any such Developer's debts, whether under the United States Bankruptcy Code or

under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving such Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within ninety (90) days after the commencement of such proceedings;

(f) the appointment of a receiver or trustee for such Developer, for any substantial part of such Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of such Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within ninety (90) days after the commencement thereof;

(g) the entry of any judgment or order against the applicable Developer which remains unsatisfied or undischarged and in effect for ninety (90) days after such entry without a stay of enforcement or execution;

(h) a change in the general partner or managing member of a Developer (except for a "for cause" replacement of the general partner of Lofts 47 by the limited partner of Lofts 47 in accordance with the partnership agreement of Lofts 47), addition of a managing member or general partner or sale or other transfer of all or a controlling interest in the ownership of such a general partner or managing member without HED's prior written consent; or

(i) a change in the ownership of the Project without HED's prior written consent.

15.02 Remedies, (a) Subject to the provisions of paragraph (b) of this Section, upon the occurrence of an Event of Default with respect to a particular Component of the Project, the City may terminate this Agreement as to that Component and any other agreements to which the City and the Developer Parties are or shall be parties, and suspend disbursement of the Reimbursable Funds to be paid with respect to that Component. Notwithstanding any conflicting provisions herein, in no event shall the City have the right to suspend or terminate payments under the Commercial Tax-Exempt Note or the Residential Tax-Exempt Note issued with respect to the Project nor shall the City have the right to exercise remedies against any portion or Component of the Project except with respect to those portions or that Component to which the Event of Default relates (it being understood that the City's remedies shall be limited to the Developer and

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the Component of the Project on which the Event of Default shall have occurred). Subject to the foregoing, the City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, secure the specific performance of the agreements contained herein, or may be awarded damages for failure of performance, or both, provided, however that the City shall not obtain a lien against the Property.

(b) Notwithstanding any other provision in this Agreement, the City shall not terminate this Agreement or suspend disbursement of the City Funds upon the occurrence of an Event of Default with respect to any Component unless foreclosure proceedings have been commenced under the fee mortgage securing the applicable Senior Lender Commercial Loans or the Senior Lender Residential Loans or a deed in lieu of such foreclosure has been executed and delivered and provided that Senior Lender has not cured the Event of Default within the curative time period provided allowed under Section 15.04(b).

15.03 Curative Period. In the event that the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial

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

Notwithstanding any other provision of this Agreement to the contrary, an Event of Default with respect to the Commercial Developer's obligation to maintain the Minimum Occupancy (an "Occupancy Default"), shall not be deemed to have occurred, unless the Commercial Developer: (i) has failed to cure the Occupancy Default within one (1) year of the date the City receives an Occupancy Report specifying such default (the "Receipt Date"), such period to be defined as the "Minimum Cure Period," or (ii) has cured a previous Occupancy Default within the Maximum Cure Period (defined herein); provided, however, if an Occupancy Default described in this Section is not cured within the Minimum Cure Period, the Commercial Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within the Minimum Cure Period and thereafter cures such default within one (1) year of the related Receipt Date; provided, further, that the Commercial Developer will be allowed a maximum of two Minimum Cure Periods to cure an Occupancy Default or such other longer time period as approved by the Commissioner of HED (the "Maximum Cure Period"). The Commercial Developer shall be deemed to have cured the Occupancy Default so long as there is a full service grocery store, operated by a regional or a national grocery retailer, operating as part of at least 30,000 square feet of the Commercial

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Component or such lesser number of square feet as may be approved in writing in the sole discretion of the Commissioner.

15.04 Lender and Investor Notice and Cure Right. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise any right or remedy available to it that could result in the termination of this Agreement or the cancellation, suspension, or reduction of any payment due from the City under this Agreement, the City shall send notice of such intended exercise to the parties identified in Section 16, and the lenders and the limited partner and non-managing member investor(s) in the applicable Developer shall have the right (but not the obligation) to cure such an Event of Default under the following conditions:

- (a) if the Event of Default is a monetary default, any party entitled to cure such default may cure it within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such monetary default; or (ii) receipt by the lenders and investors of such notice from the City; and
- (b) if the Event of Default is of a non-monetary nature, any party entitled to cure such default shall have the right to cure it within 30 days after the later of: (i) the expiration of the cure period, if any, granted to the Developer with respect to such non-monetary default; or (ii) receipt of such notice from the City; provided, however, that if such non-monetary

default is not reasonably capable of being cured by the lenders or investors within such 30-day period, such period shall be extended for such reasonable period of time as may be necessary to cure such default, provided that the party seeking such cure must continue diligently to pursue such cure and, if possession of the Project is necessary to effect such cure, the party seeking such cure must have instituted appropriate legal proceedings to obtain possession.

SECTION 16. MORTGAGING OF THE PROPERTY

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

(a) In the event that a mortgagee or any other party shall succeed to the Commercial Developer's interest with respect to the Commercial Property, or Lofts 47's interest with respect to the Residential Property, or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the respective Developer's interest hereunder in accordance with Section 18.15 hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the respective

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Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land.

(b) In the event that any mortgagee shall succeed to the Commercial Developer's interest in the Property with respect to the Commercial Property, or Lofts 47's interest with respect to the Residential Property, or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of such Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to such Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of such "Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the applicable Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the applicable Developer which accrued prior to the time such party succeeded to the interest of the applicable Developer under this Agreement, in which case the applicable Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the applicable Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of HED.

SECTION 17. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means; (a) personal service; (b) overnight courier, or (c) registered or certified mail, return receipt requested.

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

With Copies To: City of Chicago
Department of Law
Finance and Economic Development Division 121
North LaSalle Street, Room 600 Chicago, IL
60602

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If to the Commercial Developer: Frank Petruziello c/o
Skilken Properties 4270
Morse Road Columbus,
Ohio 43230

With Copies to: Bricker & Eckler LLP
100 South Third Street
Columbus, Ohio 43215-4291
Attention: Kevin Kinross

And To: DLA Piper LLP (US)
203 North LaSalle Street, Suite 1900
Chicago, Illinois 60601-1293 Attention:
Richard Klawiter

And To: Applegate & Thorne-Thomsen, P.C.
626 West Jackson, Suite 400
Chicago, Illinois 60661
Attention: Ben Applegate and Paul Davis

If to the Residential Developers: David Block
c/o The Community Builders, Inc.
135 N. LaSalle, Suite 3350 Chicago,
Illinois 60603

With Copies To:

The Community Builders, Inc.
95 Berkeley Street, Suite 500
Boston, Massachusetts 02116
Attention: General Counsel

And To:

DLA Piper LLP (US)
203 North LaSalle Street, Suite 1900
Chicago, Illinois 60601-1293 Attention:
Richard Klawiter

And To:

Applegate & Thorne-Thomsen, P.C.
626 West Jackson, Suite 400
Chicago, Illinois 60661
Attention: Ben Applegate and Paul Davis

And To:

Hudson Housing Capital LLC
630 Fifth Avenue, Suite 2850

New York, New York
10111 Attention: Joseph A.
Macari

And To: Bocarsly Emden Cowan Esmail & Arndt LLP
7200 Wisconsin Avenue, Suite 900 Bethesda,
MD 20814 Attention: Craig Emden

To Senior Lender: JPMorgan Chase Bank, N.A
Community Development Real Estate
Chase Tower 10 South Dearborn
Street Mail Code IL1-0953 Chicago,
Illinois 60603 Attn: Paul Vlamis

With copy to: Dykema Gossett PLLC
10 South Wacker Drive, Suite 2300
Chicago, IL 60606
Attn: Derek L. Cottier

If to CDE Lender: CDF Suballocatee [__], LLC
c/o Department of Community Development
City of Chicago
121 N LaSalle, Room 1000
Chicago, Illinois 60602
Attention: Commissioner, Department of Community
Development

And
Attention Deputy Commissioner for Development
:
Finance, Department of Community
Development

with copies to: S.B. Friedman & Company 221
N. LaSalle Street, Suite 820
Chicago, Illinois 60601
Attention: Tony Q. Smith

And to: Perkins Coie LLP
131 S. Dearborn Street, Suite 1700
Chicago, Illinois 60603 Attention:
Robert Stephan

Notice to CDE Lender shall include a copy to: Chase Community Equity, LLC
c/o JPMorgan Chase Bank. N.A.
10 S. Dearborn, 19th Floor Mail
Code: IL1-0953 Chicago, Illinois

60603-5506 Attention: NMTC
Asset Manager

Chase Community Equity, LLC
c/o JPMorgan Chase Bank, N.A.
10 S. Dearborn, 19th Floor
Mail Code: IL1-0953
Chicago, Illinois 60603-5506
Attention: Kevin Goldsmith, Vice President

and a copy to:

SNR Denton US LLP
233 South Wacker Drive, Suite 7800
Chicago, Illinois 60606 Attention: Todd
Stennes

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

SECTION 18. MISCELLANEOUS

18.1 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement Exhibit D hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this Section 18.01 shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental or construction obligations of the Developer Parties (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the character of the Project or any activities undertaken by Developer Parties affecting the Project, or increases any time agreed for performance by the Developer Parties by more than one hundred eighty (180) days.

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

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

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

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

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

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

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

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

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

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

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

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

18.14 Approval. Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the

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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 and without unreasonable delay. The Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City. In furtherance of the foregoing, the terms of this Agreement may be modified administratively by the Commissioner of HED without the same being deemed an amendment to this Agreement provided that the Commissioner of HED and

Corporation Counsel have determined that such modification is appropriate and consistent with the terms and conditions of this Agreement and the purposes underlying the provisions hereof.

18.15 Assignment. The Residential Developers with respect to the Residential Component and the Commercial Developer with respect to the Commercial Component may not sell, assign or otherwise transfer their respective interest in this Agreement in whole or in part without the written consent of the City; provided, however, any collateral assignment of this Agreement and any assignment, pledge or sale by a Developer Party of City Notes in connection with obtaining Lender Financing is permitted in accordance with the terms of Section 4.06 of this Agreement and/or any transfer of investor member interests in the limited partner of Lofts 47 to an affiliate of Hudson Shops and Lofts LLC, a Delaware limited liability company is permitted. Any successor in interest to the Developer Parties under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Sections 8.19 (Real Estate Provisions) and 8.22 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer Parties consent to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

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

18.17 Force Majeure. Neither the City nor the Developer Parties nor any successor in interest to any of them shall be considered in breach of or in default of their respective obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. Notice of such delay for any such reason shall be given by the party seeking to excuse its performance by virtue thereof to the other party within twenty (20) days of commencement of such delay, and excuse from performance of obligations shall be limited to the actual number of days involved in such delay.

18:18 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer Parties are required to provide notice under the WARN Act, the Developer Parties shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer Parties have

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locations in the State. Failure by the Developer Parties to provide such notice as described above may result in the termination of all or a part of the reimbursement obligations of the City set forth herein.

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

18.20 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.

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

18.22 Business Relationships. The Developer Parties acknowledge (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer Parties have read such provision and understand that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer Parties hereby represent and warrant that, to the best of their knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

18.23 Debarment Certification. Failure by the Developer Parties or any controlling person of any of the Developer Parties, as defined in Section 1-23-010 of the Municipal Code, thereof to maintain eligibility to do business with the City as required by Section 1-23-030 of the Municipal Code shall be grounds for termination of this Agreement and the transactions contemplated thereby.

18.25 Inspector General and Legislative Inspector General. It is the duty of the Developer Parties, any subgrantee, bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such Subgrantee, bidder, proposer, contractor, 58

subcontractor or such applicant to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. The Developer Parties represent that they understand and will abide by all provisions of Chapter 2-56 of the Municipal Code and that the Developer Parties will inform subcontractors of this provision and require their compliance.

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

Mahogany Chicago 47, LLC, an Ohio limited liability company (the "Commercial 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 s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the members of the Managing Member, as her/his free and voluntary act and as the free and voluntary act of the Managing Member and the Commercial Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of _____, 20__ .

Notary Public

My Commission Expires

(SEAL)

TCB LLC: TCB Development Services LLC, an Illinois limited liability company

By: The Community Builders, Inc., a Massachusetts charitable corporation d/b/a TCB Illinois NFP, Inc. Its Sole Member

By
:
Its:

**NOTARY
CERTIFICATION**

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, FIEREBY CERTIFY that of _____, personally known to me to be the _____ The Community Builders, Inc., a Massachusetts charitable corporation, d/b/a TCB Illinois NFP, Inc., and the sole member (the "Sole Member") of TCB Development Services LLC, an Illinois limited liability company (the "TCB LLC"), 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 s/he signed, sealed, and delivered said instrument, pursuant to the authority given to her/him by the TCB LLC, as her/his free and voluntary act and as the free and voluntary act of the Sole Member and TCB LLC, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this ___ day of **20**

Notary Public

My Commission
Expires_

(SEAL)

LIST OF EXHIBITS

- | | | | | | |
|-------------|-------------|-------------|-------------|-------------|-------------|
| Exhibit A | Exhibit B-4 | Exhibit C | Exhibit D | Exhibit E-1 | Exhibit E-2 |
| Exhibit B | Exhibit F | Exhibit G | Exhibit H | Exhibit I | Exhibit J |
| Exhibit B-1 | Exhibit K-2 | Exhibit K-3 | Exhibit K-4 | | |

- 6
Exhibit B-2
Exhibit B-3

Redevelopment Area *Property *City Property to be conveyed to TCB, LLC *City Property to be conveyed to Mahogany Shops 47, LLC	*Subterranean and Air Rights Interest to be conveyed by Lofts 47 to Mahogany Shops 47, LLC * Lofts 47 to Mahogany Shops 47, LLC (20-10-206-025 [part]) *TIF-Funded Improvements Redevelopment Plan Commercial Construction Contract Residential Construction Contract *Permitted Liens * Project Budget Approved Prior Expenditures Opinion of Developer's Counsel Requisition Form *Form of Commercial Taxable Note *Form of Residential Taxable Note *Form of Commercial Tax-Exempt Note *Form of Residential Tax-Exempt Note
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(An asterisk (*) indicates which exhibits are to be recorded.)

EXHIBIT A

LEGAL DESCRIPTION OF THE REDEVELOPMENT AREA

[THIS EXHIBIT IS NOT TO BE RECORDED]

See attached.

[NOT ATTACHED FOR ORDINANCE PURPOSES]

EXHIBIT B

LEGAL DESCRIPTION OF THE PROPERTY

(Subject to Final Title and Survey)

LOTS 1 THROUGH 20, BOTH INCLUSIVE, LOTS 21 THROUGH 27, BOTH INCLUSIVE, AND LOTS 29, 30, 32, 33, and 43 THROUGH 47 IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

LOTS 1 THROUGH 4 IN GEORGE B. UPP'S SUBDIVISION OF LOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

LOTS 1 THROUGH 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-001, Vol. 253
PERMANENT INDEX NO. 20-10-206-002, Vol. 253
PERMANENT INDEX NO. 20-10-206-003, Vol. 253
PERMANENT INDEX NO. 20-10-206-004, Vol. 253
PERMANENT INDEX NO. 20-10-206-005, Vol. 253
PERMANENT INDEX NO. 20-10-206-006, Vol. 253
PERMANENT INDEX NO. 20-10-206-007, Vol. 253
PERMANENT INDEX NO. 20-10-206-008, Vol. 253
PERMANENT INDEX NO. 20-10-206-009, Vol. 253
PERMANENT INDEX NO. 20-10-206-010, Vol. 253
PERMANENT INDEX NO. 20-10-206-013, Vol. 253
PERMANENT INDEX NO. 20-10-206-014, Vol. 253
PERMANENT INDEX NO. 20-10-206-016, Vol. 253
PERMANENT INDEX NO. 20-10-206-017, Vol. 253
PERMANENT INDEX NO. 20-10-206-019, Vol. 253
PERMANENT INDEX NO. 20-10-206-020, Vol. 253
PERMANENT INDEX NO. 20-10-206-021, Vol. 253
PERMANENT INDEX NO. 20-10-206-024, Vol. 253
PERMANENT INDEX NO. 20-10-206-025, Vol. 253
PERMANENT INDEX NO. 20-10-206-026, Vol. 253
PERMANENT INDEX NO. 20-10-206-027, Vol. 253
PERMANENT INDEX NO. 20-10-206-028, Vol. 253
PERMANENT-INDEX NO. 20-10-206-029, Vol. 253
PERMANENT INDEX NO. 20-10-206-030, Vol. 253
PERMANENT INDEX NO. 20-10-206-031, Vol. 253
PERMANENT INDEX NO. 20-10-206-033, Vol. 253

CITY PROPERTY TO BE CONVEYED TO TCB, LLC

LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 1 THROUGH 12, BOTH INCLUSIVE, LOTS 43 THROUGH 47, BOTH INCLUSIVE, AND LOT 25, LOT 26, AND LOTS 29, 30, 32 AND 33 IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-001, Vol. 253
PERMANENT INDEX NO. 20-10-206-013, Vol. 253
PERMANENT INDEX NO. 20-10-206-014, Vol. 253
PERMANENT INDEX NO. 20-10-206-016, Vol. 253
PERMANENT INDEX NO. 20-10-206-017, Vol. 253
PERMANENT INDEX NO. 20-10-206-020, Vol. 253
PERMANENT INDEX NO. 20-10-206-021, Vol. 253
PERMANENT INDEX NO. 20-10-206-024, Vol. 253
PERMANENT INDEX NO. 20-10-206-025, Vol. 253
PERMANENT INDEX NO. 20-10-206-031, Vol. 253
PERMANENT INDEX NO. 20-10-206-033, Vol. 253

LOTS 1, 3 AND 4 IN GEORGE B. UPP'S SUBDIVISION OF LOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDAIN (LYING EAST OF VINCENNES AVE.),IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-007, Vol. 253
PERMANENT INDEX NO. 20-10-206-009, Vol. 253
PERMANENT INDEX NO. 20-10-206-010, Vol. 253

LOTS 1 THROUGH 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDAIN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-002, Vol. 253
PERMANENT INDEX NO. 20-10-206-003, Vol. 253
PERMANENT INDEX NO. 20-10-206-004, Vol. 253
PERMANENT INDEX NO. 20-10-206-005, Vol. 253
PERMANENT INDEX NO. 20-10-206-006, Vol. 253

CITY PROPERTY TO BE CONVEYED TO MAHOGANY SHOPS 47, LLC

LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 13 THROUGH 18, BOTH INCLUSIVE, AND LOTS 21 THROUGH 24, BOTH INCLUSIVE, IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT	INDEX	20-10-206-026,	Vol.
NO.	PERMANENT	253	20-10-206-027,
INDEX	NO.	Vol.	253
PERMANENT	INDEX	20-10-206-028,	Vol.
NO.	PERMANENT	253	20-10-206-030,
INDEX NO.		Vol.	253

[NOT ATTACHED FOR ORDINANCE PURPOSES]

EXHIBIT B-4
LOFTS 47 CONVEYANCE TO MAHOGANY SHOPS 47, LLC
LEGAL DESCRIPTION

(Subject to Final Title and Survey)

[NOT ATTACHED FOR ORDINANCE PURPOSES]

EXHIBIT C

**TIF-FUNDED
IMPROVEMENTS**

I. DEVELOPMENT BUDGET Cost	Residential	Retail	Total	Total TIF Eligible
Total Acquisition Costs	\$231,701	\$600,000	\$831,701	\$831,701
Total Site Preparation Costs	1,671,568	1,117,010	2,788,578	2,788,578
Construction Contract	21,228,193	5,758,320	26,986,513	7,960,572
Construction Contingency	1,061,410	485,000	1,546,410	476,825
Total Construction Costs	22,289,602	6,243,321	28,532,923	8,437,39
Total Soft Costs	2,570,767	1,851,153	4,421,920	1,031,695
Total Financing Costs	2,226,416	1,420,539	3,646,955	
Total Reserves	2,045,329	369,963	2,415,293	
Total Developer's Fee	2,588,000	500,000	3,088,000	
Total Project Costs	\$33,623,384	\$12,101,986	\$45,725,37	\$13,089,372*

*Notwithstanding the total amount referenced above, the City Funds for the TIF-Funded Improvements shall not exceed the lesser of \$12,850,000 or 28.1% of the Project Budget.

EXHIBIT D

REDEVELOPMENT PLAN

[THIS EXHIBIT IS NOT TO BE RECORDED]

See attached. [NOT ATTACHED FOR

ORDINANCE PURPOSES]

**EXHIBIT E-1 COMMERCIAL
CONSTRUCTION CONTRACT [THIS EXHIBIT IS**

NOT TO BE RECORDED]

See attached. [NOT ATTACHED FOR
ORDINANCE PURPOSES]

**EXHIBIT E-2 RESIDENTIAL
CONSTRUCTION CONTRACT**

[THIS EXHIBIT IS NOT TO BE RECORDED]

See attached.

[NOT ATTACHED FOR ORDINANCE PURPOSES]

EXHIBIT F

PERMITTED LIENS

Liens or encumbrances against the Property:

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

EXHIBIT G

PROJECT BUDGET

Residential		Retail Total	Total
1. DEVELOPMENT BUDGET Total			
Total Acquisition Costs	\$	\$600,000	\$ 831,701
Total Site Preparation Costs	S 1,671,568	S 1,117,010	\$ 2,788,578
Construction Contract	\$	\$ 5,758,320	\$ 26,986,513
Construction Contingency \$1,061,410		\$485,000	\$ 1,546,410
Total Construction Costs	\$	\$ 6,243,321	\$ 28,532,923
Total Soft Costs	\$	\$ 1,851,153	\$ 4,421,920
Total Financing Costs	\$	\$ 1,420,539	\$ 3,646,955
Total Reserves	\$	\$ 369,963	\$ 2,415,293
Total Developer's Fee	\$	\$ 500,000	\$ 3,088,000
Total Project Costs	\$	S 12,101,986	S 45,725,370
SOURCES OF FUNDS			
Subtotal: Debt Financing	S	S 11,136,135	S 19,821,175
Subtotal: Soft Loans	S	S 489,040	\$ 17,029,291
Subtotal: Equity	\$	S 476,811	\$ 8,874,904
Total Sources of Funds*	S 33,623,385	\$ 12,101,986	S 45,725,370
		-----	

^Sources do not include City HOME loan of 5550,000 which shall only be used to address potential overruns in construction bidding process and to meet affirmative hiring regulatory requirements

EXHIBIT H APPROVED PRIOR

EXPENDITURES

[THIS EXHIBIT IS NOT TO BE RECORDED]

[NOT ATTACHED FOR ORDINANCE PURPOSES]

LINE ITEM	NAME OF FIRM	CONTRACT PRICE	PREVIOUSLY PAID	AMOUNT OF THIS PAYMENT	BALANCE TO BECOME DUE
-----------	--------------	----------------	-----------------	------------------------	-----------------------

Total

OPINION OF DEVELOPER PARTIES' COUNSEL

[THIS EXHIBIT IS NOT TO BE RECORDED]

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

City of Chicago
121 North LaSalle Street
Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

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

(a) _____ Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

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

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

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

In addition to the foregoing, we have examined

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

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

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

Based on the foregoing, it is our opinion that:

1. The Developer is a limited 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 entity under the laws of every state in which the conduct of its affairs or the ownership of its assets requires such qualification, except for those states in which its failure to qualify to do business would not have a material adverse effect on it or its business.

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

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

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

5. To the best of our knowledge after diligent inquiry, no judgments are outstanding against the Developer, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or affecting the Developer or its property, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer is not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority

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or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer or its business.

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

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

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

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

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

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

This opinion is issued at the 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
:

**EXHIBIT J
REQUISITION
FORM**

[THIS EXHIBIT IS NOT TO BE RECORDED]

[NOT ATTACHED FOR ORDINANCE PURPOSES]

)SS

COUNTY OF COOK)

The affiant, _____, _____ of _____, a(n) _____ (the "Developer"), hereby certifies that with respect to that certain _____ Redevelopment Agreement between the Developer and the City of Chicago dated _____, 20_ (the "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. The 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. The Developer hereby certifies to the City that, as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Redevelopment Agreement are true and correct and the Developer is in compliance with all 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 has the meanings given such terms in the Agreement.

By: _____
Name
Title: _____

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Subscribed and sworn before me this ___ day of

My commission expires:

EXHIBIT K-1

COMMERCIAL TAXABLE NOTE

REGISTERED MAXIMUM

AMOUNT

NO. R-1 \$228,271*

**UNITED STATES OF AMERICA STATE OF ILLINOIS
COUNTY OF COOK CITY OF CHICAGO TAX INCREMENT
ALLOCATION REVENUE NOTE (SHOPS AND LOFTS AT 47
PROJECT), TAXABLE SERIES A-1**

Registered Owner:

Mahogany Chicago 47, LLC, an Ohio limited liability
company or an Affiliate, as approved by HED

Interest Rate: [_ %] [shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of Commercial Taxable Note Series A-1 plus 200 basis points, but in no event exceeding eight and one-half percent (8.5%) per annum]

Maturity Date: December 31, 2022

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$228,271* and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of [_____ , 20 _] between, inter alia, the City and the *Registered Owner (the "Redevelopment Agreement")*, and this Note shall be paid *pari passu*

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with the Residential Taxable Note (as defined in the Redevelopment Agreement) but is subordinate in payment to the Commercial Tax-Exempt Note and the Residential Tax-Exempt Note (each as defined in the Redevelopment Agreement) as set forth in the Redevelopment Agreement.

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Commercial Component Certificate (as defined in the Redevelopment Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in fully registered form in the principal amount of advances made from time to time by the Registered Owner up to \$228,271* for the purpose of

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paying the costs of certain eligible redevelopment project costs incurred by Commercial Developer in connection with the Commercial Component of the Project (as such terms are defined in the Redevelopment Agreement) located in the Amended 43rd Street/Cottage Grove Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act") , the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on [_____ , 20_] (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is

entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES (AS DEFINED IN THE REDEVELOPMENT AGREEMENT AND AS PROVIDED IN THE ORDINANCE), AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.

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The principal of this Note is subject to redemption on any date following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed plus accrued interest to the date of redemption. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Commercial Component of the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such

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acquisition and construction in an amount not to exceed \$228,271* shall be deemed to be a disbursement of the proceeds of this Note. The principal amount outstanding of this Note shall be the sum of advances made pursuant to the certificates of expenditure (the "Certificates of Expenditure") executed by the City in accordance with the Redevelopment Agreement and in the form attached to this Note, minus any principal amount paid on this Note. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$228,271 *.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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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 \$228,271* Tax Increment Allocation Revenue Note Shops and Lofts Redevelopment Project), Taxable Series A-1, of the City of Chicago, Cook County, Illinois.

Comptroller
Date:

*subject to adjustment generally as set forth in Section 4.03 of the Redevelopment Agreement

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PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
BY:

ITS:

CERTIFICATION OF EXPENDITURE

[_____ , 20_J

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(Shops and Lofts at 47 Redevelopment Project, Taxable Series A-1)

This Certification is submitted to you, 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 [_____ , 20 _] (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the 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 \$ _____ , including the amount of this Certificate and less principal payments made on the City Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as off _____ , 20_J.

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

RESIDENTIAL TAXABLE NOTE

REGISTERED MAXIMUM

AMOUNT

NO. R-2 \$1,808,729*

**UNITED STATES OF AMERICA STATE OF ILLINOIS
COUNTY OF COOK CITY OF CHICAGO TAX INCREMENT
ALLOCATION REVENUE NOTE (SHOPS AND LOFTS AT 47
PROJECT), TAXABLE SERIES A-2**

Registered Owner: [Residential Developer] or an Affiliate, as approved by HED

Interest Rate: [_ %] [shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of Residential Taxable Note Series A-1 plus 200 basis points, but in no event exceeding eight and one-half percent (8.5%) per annum]

Maturity Date: December 31, 2022

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to up to the principal amount of \$1,808,729* and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of [_____ , 20 _] between, inter alia, the City and the *Registered Owner (the "Redevelopment Agreement")*, and this Note shall be paid *pari passu*

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with the Commercial Taxable Note (as defined in the Redevelopment Agreement) but is subordinate in payment to the Commercial Tax-Exempt Note and the Residential Tax-Exempt

Note (each as defined in the Redevelopment Agreement) as set forth in the Redevelopment Agreement.

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due March 1 of each year commencing in the first year following the issuance of the Residential Component Certificate (as defined in the Redevelopment Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on March 1 of each year in the amount necessary to amortize the outstanding principal balance of this Note in level payments over the remaining term to Maturity at the interest rate payable hereon. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in fully registered form in the principal amount of advances made from time to time by the Registered Owner up to \$1,808,729* for the purpose of

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paying the costs of certain eligible redevelopment project costs incurred by Residential Developer in connection with the Residential Component of the Project (as such terms are defined in the Redevelopment Agreement) located in the Amended 43rd Street/Cottage Grove Redevelopment

Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on [_____ , 20_] (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES (AS DEFINED IN THE REDEVELOPMENT AGREEMENT AND AS PROVIDED IN THE ORDINANCE), AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.

The principal of this Note is subject to redemption on any date following the Closing Date (as defined in the Redevelopment Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed plus accrued interest to the date of redemption. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered

or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Residential Component of the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and

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construction in an amount not to exceed \$1,808,729* shall be deemed to be a disbursement of the proceeds of this Note. The principal amount outstanding of this Note shall be the sum of advances made pursuant to the certificates of expenditure (the "Certificates of Expenditure") executed by the City in accordance with the Redevelopment Agreement and in the form attached to this Note, minus any principal amount paid on this Note. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$1,808,729*.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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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**

This Note is described in the within mentioned Ordinance and is the \$1,808,729* Tax Increment Allocation Revenue Note Shops and Lofts Redevelopment Project), Taxable Series A-2, of the City of Chicago, Cook County, Illinois.

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

Comptroller

Date:

*subject to adjustment generally as set forth in Section 4.03 of the Redevelopment Agreement

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PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT
BY:

ITS:

CERTIFICATION OF EXPENDITURE

[_____ , 20_J

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(Shops and Lofts at 47 Redevelopment Project, Taxable Series A-2)

This Certification is submitted to you, 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 [_____ , 20 _] (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the 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 \$ _____ , including the amount of this Certificate and less principal payments made on the City Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of [_____ , 20_J.

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT K-3 COMMERCIAL

TAX-EXEMPT NOTE

REGISTERED
NO. R-1

MAXIMUM AMOUNT
NOT TO EXCEED
\$722,689*

**UNITED STATES OF AMERICA STATE OF ILLINOIS
COUNTY OF COOK CITY OF CHICAGO TAX
INCREMENT ALLOCATION REVENUE NOTE (SHOPS
AND LOFTS AT 47 REDEVELOPMENT PROJECT)
TAX-EXEMPT SERIES B-1**

Registered Owner: Mahogany Chicago 47, LLC, an Illinois limited liability company or an Affiliate, as approved by HED

Interest Rate: [_ %] [shall mean an annual rate equal to the median value of the Baa (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD") on the date which is 15 business days before the Commercial Tax-Exempt Note Series B-1 is issued plus 200 basis points, but in no event exceeding eight percent (8.00%) per annum]

Maturity Date: December 31, 2022

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the Ordinance hereinafter referred to up to the principal amount of \$722,689* and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance.

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above.

Principal of and interest on this Note are payable in accordance with the amortization schedule annually on March 1st of each year from "Available Incremental Taxes" as defined in the Redevelopment Agreement (hereinafter defined), to be applied first to accrued and unpaid interest and the balance to principal.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of [_____ , 20__] between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the Residential Tax-Exempt Note (as defined in the Redevelopment Agreement).

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the 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 as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the payment record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in fully registered form in the aggregate principal amount of advances made from time to time by Mahogany Chicago 47, LLC, an Illinois limited liability company (the "Commercial Developer") of up to \$722,689* for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Commercial Developer in connection

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with the redevelopment of property (the "Property") in the Amended 43 Street/Cottage Grove Redevelopment Project Area (the "Project Area") in the City, with such redevelopment work and related construction being defined as the "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 [_____, 20__] (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. The revenues so pledged are described in the Ordinance and in the Redevelopment Agreement (hereinafter defined) as: "Available Incremental Taxes". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to 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 AVAILABLE INCREMENTAL TAXES AS DESCRIBED IN THE REDEVELOPMENT AGREEMENT AND IN THE ORDINANCE, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.

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The principal of this Note is subject to prepayment and redemption on any date on or after the date which is three years following the issuance of the Commercial Completion Certificate, as defined in the Redevelopment Agreement, in whole or in part at a redemption price of 100% of the outstanding principal amount thereof being redeemed plus accrued interest.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and 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. Pursuant to the Redevelopment Agreement, the Commercial Developer has agreed to construct the Commercial Component of the Project (as defined in the Redevelopment Agreement) and to advance funds for the incursion under the TIF Act of certain eligible redevelopment project costs related to the Project. Such costs up to the amount of \$722,689* shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the City in accordance with the Redevelopment Agreement, and in the form attached to this Note, minus any principal amount paid on this Note. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$722,689*.

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The City shall have no right to suspend and/or terminate payments of principal and of interest on this Note. The City shall be obligated to make payments under this Note notwithstanding that an Event of Default (as defined in the Redevelopment Agreement) has occurred. Subject to the foregoing, the City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, secure the specific performance of the agreements

contained in the Redevelopment Agreement, or may be awarded damages for failure of performance, or both, provided, however that the City shall not obtain a lien against the Property.

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

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

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

[THE REMAINDER OF THIS PAGE 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

CERTIFICAT
E OF
AUTHENTICATIO
N

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 \$722,689* Tax Increment
Allocation Revenue Note
(Shops and Lofts at 47 Redevelopment
Project), Series B-1, of the
City of Chicago, Cook County, Illinois

Comptroller

Date:

*subject to adjustment generally as set forth in Section 4.03 of the Redevelopment Agreement

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PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated: _____
Registered Owner

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

Signature Guaranteed: _____

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

Consented to as of: _____

City of Chicago, Illinois

By: _____

Title: _____ ,
Department of Housing and Economic Development

CERTIFICATION OF EXPENDITURE

[_____, 20_]

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(Shops and Lofts at 47 Redevelopment Project, Tax-Exempt Series A-1)

This Certification is submitted to you, 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 [_____, 20 _] (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the 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 \$ _____, including the amount of this Certificate and less principal payments made on the City Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of [_____, 20_J.

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

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EXHIBIT K-4

RESIDENTIAL TAX-EXEMPT NOTE

REGISTERED
NO. R-2

MAXIMUM AMOUNT
NOT TO EXCEED
\$5,726,311*

**UNITED STATES OF AMERICA STATE OF ILLINOIS
COUNTY OF COOK CITY OF CHICAGO TAX
INCREMENT ALLOCATION REVENUE NOTE (SHOPS
AND LOFTS AT 47 REDEVELOPMENT PROJECT)
TAX-EXEMPT SERIES B-2**

Registered Owner: [Residential Developer] or an Affiliate, as approved by HED

Interest Rate: [_ %] [shall mean an annual rate equal to the median value of the Baa (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data ("MMD") on the date which is 15 business days before the Residential Tax-Exempt Note Series B-2 is issued plus 200 basis points, but in no event exceeding eight percent (8.00%) per annum]

Maturity Date: December 31, 2022

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the Ordinance hereinafter referred to up to the principal amount of \$5,726,311* and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months.

ill

Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above. Principal of and interest on this Note are payable in accordance with the amortization schedule annually on March 1st of each year from "Available Incremental Taxes" as defined in the Redevelopment Agreement (hereinafter defined), to be applied first to accrued and unpaid interest and the balance to principal.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of [_____, 20 _] between, inter alia, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid pari passu with the Commercial Tax-Exempt Note (as defined in the Redevelopment Agreement).

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the

"Registrar"), at the close of business on the 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 as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the payment record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in fully registered form in the aggregate principal amount of advances made from time to time by the Residential Developer of up to \$5,726,311* for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Residential Developer in connection with the redevelopment of property (the "Property") in the Amended 43rd Street/Cottage Grove Redevelopment Project Area (the "Project Area") in the

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City, with such redevelopment work and related construction being defined as the "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 [_____ , 20 _] (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. The revenues so pledged are described in the Ordinance and in the Redevelopment Agreement (hereinafter defined) as: "Available Incremental Taxes". Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to 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 AVAILABLE INCREMENTAL TAXES AS DESCRIBED IN THE REDEVELOPMENT AGREEMENT AND IN THE ORDINANCE, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.

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The principal of this Note is subject to prepayment and redemption on any date on or after the date which is three years following the issuance of the Residential Completion Certificate, as defined in the Redevelopment Agreement, in whole or in part at a redemption price of 100% of the outstanding principal amount thereof being redeemed plus accrued interest.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance and 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. Pursuant to the Redevelopment Agreement, the Residential Developer has agreed to construct the Residential Component of the Project (as defined in the Redevelopment Agreement) and to advance funds for the incursion under the TIF Act of certain eligible redevelopment project costs related to the Project. Such costs up to the amount of \$5,726,311* shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the City in accordance with the Redevelopment Agreement, and in the form attached to this Note, minus any principal amount paid on this Note. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$5,726,311*.

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The City shall have no right to suspend and/or terminate payments of principal and of interest on this Note. The City shall be obligated to make payments under this Note notwithstanding that an Event of Default (as defined in the Redevelopment Agreement) has occurred. Subject to the foregoing, the City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, secure the specific performance of the agreements contained in the Redevelopment Agreement, or may be awarded damages for failure of performance, or both, provided, however that the City shall not obtain a lien against the Property.

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

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

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

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

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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 \$5,726,311 * Tax Increment Allocation Revenue Note (Shops and Lofts at 47 Redevelopment Project), Series B-2, of the City of Chicago, Cook County, Illinois.

Comptroller

Date: _____

*subject to adjustment generally as set forth in Section 4.03 of the Redevelopment Agreement

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PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT PRINCIPAL PAYMENT PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated: _____
Registered Owner

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

Signature Guaranteed: _____

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

Consented to as of: _____

City of Chicago, Illinois

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

CERTIFICATION OF EXPENDITURE

[_____, 20_]

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(Shops and Lofts at 47 Redevelopment Project, Tax-Exempt Series A-2)

This Certification is submitted to you, 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 [_____, 20_] (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ _____ is advanced as principal under the 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 \$ _____, including the amount of this Certificate and less principal payments made on the City Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of [_____, 20_J..

CITY OF CHICAGO

By: _____
Andrew J. Mooney
Commissioner
Department of Housing and Economic
Development

AUTHENTICATED BY:

REGISTRAR

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EXHIBIT C

CITY PARCELS

LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 1 THROUGH 18, BOTH INCLUSIVE, LOTS 43 THROUGH 47, BOTH INCLUSIVE, AND LOTS 21 THROUGH 26, BOTH INCLUSIVE, LOTS 29, 30, 32 AND 33 IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

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T	PERMAN	NO. 0-20	14
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T	INDEX	NO. 20-1	16
PERMANEN NO.	INDEX	0-20	206-0
T	INDEX	NO. -10-	17
PERMANEN NO.		20-1	206-0
T	INDEX	0-20	20
PERMANEN NO.		-10-	206-0
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T	INDEX	-10-	27
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LOTS 1, 3 AND 4 IN GEORGE B. UPP'S SUBDIVISION OF LOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDAIN (LYING EAST OF VINCENNES AVE.),IN COOK COUNTY, ILLINOIS.

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LOTS 1 THROUGH 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN
THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE
NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10,
TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING
EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

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EXHIBIT D

CITY PARCELS TO BE CONVEYED TO TCB LLC

LEGAL DESCRIPTION

(Subject to Final Title and Survey)

LOTS 1 THROUGH 12, BOTH INCLUSIVE, LOTS 43 THROUGH 47, BOTH INCLUSIVE, AND LOT 25, LOT 26, AND LOTS 29, 30, 32 AND 33 IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

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PERMANENT INDEX 20-10-206-033, Vol.
NO. 253

LOTS 1, 3 AND 4 IN GEORGE B. UPP'S SUBDIVISION OF LOTS 35, 36, 37 AND 38 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDAIN (LYING EAST OF VINCENNES AVE.),IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-007, Vol.
253 PERMANENT INDEX NO. 20-10-206-009,
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20-10-206-010, Vol. 253

LOTS 1 THROUGH 5 IN GEORGE B. UPP'S SUBDIVISION OF SUBLOTS 39, 40, 41 AND 42 IN THE SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDAIN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

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EXHIBIT E

CITY PARCELS TO BE CONVEYED TO MAHOGANY SHOPS 47, LLC

LEGAL DESCRIPTION (Subject to

Final Title and Survey)

LOTS 13 THROUGH 18, BOTH INCLUSIVE, AND LOTS 21 THROUGH 24, BOTH INCLUSIVE, IN SUBDIVISION OF LOTS 1 AND 2 OF STONE AND MC GLASHAN'S SUBDIVISION OF THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT INDEX NO. 20-10-206-026, Vol. 253 PERMANENT INDEX NO. 20-10-206-027, Vol. 253 PERMANENT INDEX NO. 20-10-206-028, Vol. 253 PERMANENT INDEX NO. 20-10-206-030, Vol. 253

EXHIBIT F

**SUBTERRANEAN AND AIR RIGHTS INTERESTS TO BE
CONVEYED BY LOFTS 47 TO MAHOGANY SHOPS 47, LLC**

Portions of PINs 20-10-206-001, 002, 003, 004, 005, 006, 007, 008, 009, 010, 021, 024, 025, 031 and 033, all to be more fully described prior to the execution of the Redevelopment Agreement.

EXHIBIT G

**PORTION OF CITY PARCEL TO BE CONVEYED
BY BORROWER TO MAHOGANY SHOPS 47, LLC**

A Portion of PIN 20-10-206-025, to be more fully described prior to the execution of the Redevelopment Agreement.

EXHIBIT H

**MAHOGANY SHOPS 47, LLC PARCEL TO BE CONVEYED TO TCB
LLC AND SUBSEQUENTLY CONVEYED BY TCB LLC TO THE
BORROWER**

(Subject to Final Title and Survey)

LOT 2 IN GEORGE B. UPP'S SUBDIVISION OF LOTS 35, 36, 37 AND 38 IN THE
SUBDIVISION OF LOTS 1 AND 2 IN STONE AND MC GLASHAN'S SUBDIVISION OF
THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF
SECTION 10, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL
MERIDAIN (LYING EAST OF VINCENNES AVE.), IN COOK COUNTY, ILLINOIS.

PERMANENT REAL ESTATE INDEX NO: 20-10-206-008

EXHIBIT I Form of Bond Issuance

Agreement

(See Attached)

BOND ISSUANCE AGREEMENT

among CITY OF CHICAGO

JPMORGAN CHASE BANK, N.A.,

as Bondholder

and

JPMORGAN CHASE BANK, N.A.,

as Fiscal Agent

Dated as of _____ 1, 2012

\$_____

City of Chicago Multi-Family Housing Revenue

Bond (Shops and Lofts at 47th Project), Series

2012

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BOND ISSUANCE AGREEMENT

This BOND ISSUANCE AGREEMENT, dated as of _____ 1, 2012 (this "Bond Issuance Agreement"), among the CITY OF CHICAGO, a municipal corporation and home rule unit of local government under the Constitution and laws of the State of Illinois (the "Issuer"), JPMORGAN CHASE BANK, NA., a national banking association, as purchaser of the Bond hereafter described (in such capacity, the "Bondholder"), and JPMORGAN CHASE BANK, N.A., a national banking association, as fiscal agent for the Bond (in such capacity, the "Fiscal Agent"),

WITNESSETH:

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

WHEREAS, as a home rule unit and pursuant to the Constitution, the Issuer is authorized and empowered to issue multi-family housing revenue bonds for the purpose of financing the cost of acquiring, constructing, and equipping an affordable multi-family housing facility for low- and moderate-income families located in the City; and

WHEREAS, the Issuer has determined to issue, sell and deliver its \$_____ Multi-Family Housing Revenue Bond (Shops and Lofts at 47th Project), Series 2012 (the "Bond"), as provided herein, and to lend the proceeds thereof to Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Owner"), for the purpose of financing a portion of the cost of acquiring, constructing, and equipping the Project (as hereinafter defined); and

WHEREAS, the Issuer and the Owner have entered into the Loan Agreement (as hereinafter defined) providing for the loan of the proceeds of the Bond to the Owner for the purposes described in the preceding paragraph; and

WHEREAS, the Loan Agreement provides for the issuance by the Owner of the Owner Note (as hereinafter defined); and

WHEREAS, the Issuer will pledge and assign the Owner Note and the Loan Agreement to the Bondholder under an Assignment (as hereinafter defined); and

WHEREAS, the Bond is secured by and payable from Revenues (as hereinafter defined) and the other security provided herein, including the Owner Collateral Documents (as hereinafter defined); and

WHEREAS, it has been determined that the Bond should be issued, sold and delivered, to provide funds in order to make a loan to the Owner to pay a portion of the cost of acquiring, constructing, and equipping the Project and related expenses; and

WHEREAS, all things necessary to make the Bond, when authenticated by the Fiscal Agent and issued as provided in this Bond Issuance Agreement, the legal, valid and binding limited obligation of the Issuer according to the terms thereof, and to constitute this Bond Issuance Agreement a valid assignment and pledge of the amounts assigned and pledged to the payment of the principal of and interest on the Bond, and a valid assignment and pledge of the right, title and interest of the Issuer under the Loan Agreement (except that Issuer shall

retain certain rights thereunder which rights may also be enforced, to the extent applicable, by the Bondholder) and the Owner Note, have been done and performed, and the creation, execution and delivery of this Bond Issuance Agreement, and the creation, execution and issuance of the Bond, subject to the terms hereof, have in all respects been duly authorized;

NOW, THEREFORE, THIS BOND ISSUANCE AGREEMENT WITNESSETH:

That the Issuer in consideration of the promises and the mutual covenants contained herein, and of the purchase and acceptance of the Bond by the Bondholder, and of the sum of one dollar, in lawful money of the United States of America, to it duly paid by the Bondholder at or before the execution and delivery of these presents, and for other good and valuable consideration (the receipt, sufficiency and adequacy of which are hereby acknowledged), in order to secure the payment of the principal of and interest on the Bond according to their tenor and effect, and in order to secure the performance and observance by the Issuer of all the covenants and conditions expressed or implied herein and in the Bond, does hereby grant, bargain, sell, convey, assign and pledge, and grant a security interest in, the following described property (collectively, the "Security for the Bond"), to the Bondholder, forever, to the extent provided in this Bond Issuance Agreement:

GRANTING CLAUSE FIRST

All right, title, interest and benefits of the Issuer in and to the Loan Agreement (except that Issuer shall retain the Issuer Reserved Rights) and the Owner Note (including all extensions and renewals of the term thereof, if any), including, but without limiting the generality of the foregoing, the present and continuing right to make claim for, collect, receive and receipt for any of the income, revenues, issues and profits and other sums of money payable or receivable thereunder, whether payable in respect of the indebtedness thereunder or otherwise, to issue approvals, authorizations and directions, to receive notices, to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things that the Issuer is or may become entitled to do under the Loan Agreement and the Owner Note, provided that the assignment made by this clause shall not impair or diminish any obligation of the Issuer under the Loan Agreement to the extent provided therein; and

GRANTING CLAUSE SECOND

All moneys and securities of the Issuer from time to time held by the Fiscal Agent or by the Bondholder under the terms of this Bond Issuance Agreement, and any and all other real or personal property of every type and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder, by the Issuer or by anyone on its behalf, or with its written consent, to the Fiscal Agent or the Bondholder, each of whom is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof; and

GRANTING CLAUSE THIRD

All funds paid over to the Fiscal Agent to provide for the payment of the Bond in accordance with the Pledge Agreement, and all right, title and interest of the Issuer in and to the Owner Collateral Documents, including moneys and investments held pursuant thereto, subject to the provisions thereof permitting the use of funds held thereunder to or for the uses therein provided.

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TO HAVE AND TO HOLD all and singular the Security for the Bond, whether now owned or hereafter acquired, unto the Bondholder and its successors and assigns forever.

THIS BOND ISSUANCE AGREEMENT FURTHER WITNESSETH, and it is expressly declared, that the Bond issued pursuant to the Ordinance and secured hereunder is to be issued, authenticated and delivered, and all said property, rights and interest, including, without limitation, the amounts hereby assigned and pledged, are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Issuer has agreed and covenanted, and does hereby agree and

covenant with the Fiscal Agent and with the Bondholder as follows (subject, however, to the provisions of Section 2.08 hereof):

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. Capitalized terms used in this Bond Issuance Agreement without definition shall have the respective meanings given to such terms in Section 1.1 of the Loan Agreement and in Exhibit A attached hereto and made a part hereof, unless the context or use clearly indicates another or different meaning or intent.

Section 1.02. Interpretation. In this Bond Issuance Agreement, except as otherwise expressly provided or unless the context otherwise requires: the words "hereby," "hereof," "herein," "hereunder" and any similar words used in this Bond Issuance Agreement refer to this Bond Issuance Agreement as a whole and not to any particular Article, Section or other subdivision, the word "heretofore" shall mean before, the word "hereafter" shall mean after, the date of this Bond Issuance Agreement, and the word "including" shall mean "including, without limitation";

(ii) all accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with generally accepted accounting principles;

(iii) any headings preceding the text of the several Articles and Sections of this Bond Issuance Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Bond Issuance Agreement nor affect its meaning, construction or effect;

(iv) words importing the redemption or redeeming of the Bond or the calling of the Bond for redemption do not include or connote the payment of the Bond at their stated maturity or the purchase of the Bond;

(v) any certificate, letter or opinion required to be given pursuant to this Bond Issuance Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth, or setting forth matters to be determined pursuant to this Bond Issuance Agreement; and

(vi) the recitals and granting clauses appearing above are an integral part hereof and are fully incorporated herein by this reference.

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ARTICLE II

BOND

Section 2.01. Authorization of Bond. The Bond shall be issued under the provisions of this Bond Issuance Agreement in accordance with this Article.

Section 2.02. Issuance of Bond; Payments, (a) The Bond shall be designated "City of Chicago Multi-Family Housing Revenue Bond (Shops and Lofts at 47th Project), Series 2012," and shall be issued in substantially the form of Exhibit B hereto. The Bond shall mature on the Maturity Date, shall bear interest on disbursed amounts from the respective dates of disbursement, and shall be issuable only as a registered Bond without coupons. The Bond shall be lettered and numbered R-1.

(b) The Bond shall be dated the Closing Date. Any Bond issued in substitution therefor at any time thereafter shall be dated its respective date of delivery.

(c) Except to the extent that the provisions of Article III or Section 7.02 hereof with respect to redemption or acceleration prior to maturity may become applicable hereto, the Bond shall mature as to principal as provided above.

(d) All payments on the Bond shall be first applied to interest on the unpaid principal balance, then to the unpaid principal balance and any remaining amount to any unpaid collection costs, late charges and other charges, provided, however, upon an Event of Default, the Bondholder reserves the right to apply payments among principal, interest, late charges, collection costs and other charges at its sole discretion. Any prepayments permitted hereunder shall be applied as the Bondholder from time to time determines in its sole discretion. The Bondholder shall make all notations upon the Bond or in the Bondholder's books and records as provided in Section 2.3(c) of the Loan Agreement, which records shall be conclusive absent manifest error.

(e) The principal of and interest on the Bond shall be payable in lawful money of the United States of America. Such principal and interest shall be payable at the principal office of the Bondholder or as otherwise directed in writing by the Bondholder. If any payment under the Bond is due and payable on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and any such extension of time shall be included in the computation of the payment of interest on the Bond. All payments of principal and interest under the Bond shall be made without deduction of any present or future taxes, levies, imposts, duties, fees, assessments, withholdings or other charges, which amounts shall be paid by the Owner, and without any other setoff or counterclaim of any kind.

(f) The Maturity Date for the Bond may be extended on a one-time basis for six months to _____, 20__ upon delivery by the Owner to the Issuer and the Bondholder of a written notice and direction to extend the Maturity Date, which notice must be received by the Issuer and the Bondholder at least 30 but no more than 90 days prior to the original Maturity Date. Such extension shall also be conditioned upon the following: (i) the Project is Complete (as defined in Section 7.11 of the Loan Agreement), (ii) no Unmatured Event of Default, Default or Event of Default exists, (iii) the extension does not affect the exclusion of interest on the Bond from the gross income of the Bondholder for federal income tax purposes, (iv) all conditions to the Extension, as defined in the Bondholder Loan Agreement, set forth in [Section 3.6] of the

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Bondholder Loan Agreement, shall have been satisfied, and (v) the Owner pays the Bondholder a renewal fee in an amount equal to 1/4 of 1% of the Outstanding principal amount of the Bond.

Section 2.03. Interest Rates on Bond, (a) The unpaid portion of the principal amount of the Bond which has been advanced shall bear interest at the Interest Rate.

(b) If prior to the commencement of any Interest Period: (i) the Bondholder determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or (ii) the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to the Bondholder of making or maintaining the advance of proceeds of the Bond for such Interest Period; then the Bondholder shall give notice thereof to the Owner by telephone or facsimile as promptly as practical thereafter and, until the Bondholder notifies the Owner that the circumstances giving rise to such notice no longer exist, any advance, or continuation of an advance, shall bear interest at the Alternate Rate.

(c) Notwithstanding the foregoing, from and after the occurrence of an Event of Default, the outstanding principal balance of the Bond, and any amount payable by the Owner

under the Loan Agreement, the Owner Note or any of the Owner Collateral Documents, shall bear interest, after as well as before judgment, at the Past Due Rate.

(d) Accrued interest shall be payable in arrears on each Interest Payment Date and upon maturity of the Loan; provided that interest accrued pursuant to Section 2.03(c) (including interest on past due interest) shall be payable on demand.

(e) All interest hereunder shall be computed on the basis of a year of 360 days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Interest Rate (or, if applicable, the Alternate Rate) shall be determined by the Bondholder and such determination shall be conclusive and binding upon the Owner absent manifest error.

(f) Interest on disbursed amounts under the Bond and the Owner Note shall be payable monthly commencing on the Interest Payment Date of the calendar month following the Closing Date and continuing on the Payment Date of each month thereafter, on any date of redemption and on the Maturity Date.

Section 2.04. Interest Payment Dates. Interest on disbursed amounts under the Bond and the Owner Note shall be payable monthly commencing on the [first (1st) / tenth (10th)] day of the calendar month following the Closing Date and continuing on the [first (1st) / tenth (10th)] day of each month thereafter, on any date of redemption and on the Maturity Date.

Section 2.05. Interest on Amounts Past Due. Notwithstanding anything in this Article II to the contrary, if the Issuer shall fail to make any of the payments required to be made by it under this Bond Issuance Agreement, including, without limitation, any mandatory redemption required by Section 3.02 of this Bond Issuance Agreement, or under the Bond, such payment shall continue as an obligation of the Issuer until the unpaid amount overdue shall have been fully paid and interest on the principal amount of the Bond so overdue shall continue to accrue at the applicable Past Due Rate, from the date such payment was due until the date such payment is made or the date the Bond has been repaid in full, whichever is earlier.

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Section 2.06. Transfers of Bond. The Bond may be transferred in whole, and not in part, but only to a single Qualified Transferee who has executed and delivered to the Issuer a letter in the form of the Qualified Transferee letter attached hereto as Exhibit D; all of the Bond shall be so transferred if any of the Bond is so transferred. Successive transfers of the Bond are permitted, subject to the limitations set forth in this Section. Notwithstanding the foregoing, the Bondholder may sell participating interests in the Bond in accordance with applicable law.

Section 2.07. Intentionally Omitted.

Section 2.08. Execution; Limited Obligation, (a) The Bond shall be executed on behalf of the Issuer with the manual or facsimile signature of its Mayor and shall be acknowledged by the manual or facsimile signature of the City Clerk of the Issuer, and the seal of the Issuer shall be impressed, imprinted or reproduced thereon. In case any officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of the Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery. The Bond may be signed on behalf of the Issuer by such persons who, at the time of the execution of the Bond, are duly authorized or hold the appropriate offices of the Issuer, although on the date of the Bond such persons were not so authorized or did not hold such offices.

(b) THE BOND AND THE INTEREST THEREON CONSTITUTE SPECIAL, LIMITED OBLIGATIONS OF THE ISSUER, PAYABLE SOLELY FROM THE PAYMENTS TO BE MADE BY THE OWNER UNDER THE LOAN AGREEMENT OR FROM THE OTHER SOURCES

SPECIFIED OR REFERRED TO IN THIS BOND ISSUANCE AGREEMENT, ALL OF WHICH ARE SPECIFICALLY ASSIGNED AND PLEDGED TO SUCH PURPOSES IN THE MANNER AND TO THE EXTENT PROVIDED HEREIN. THE BOND AND ALL OTHER OBLIGATIONS OF THE ISSUER IN CONNECTION THEREWITH DO NOT CONSTITUTE A DEBT OF THE ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, AND NEITHER THE ISSUER NOR THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF, SHALL BE LIABLE THEREON, NOR IN ANY EVENT SHALL THE BOND OR OTHER OBLIGATIONS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE PLEDGED UNDER THIS BOND ISSUANCE AGREEMENT AND THOSE OTHER AGREEMENTS SPECIFICALLY SECURING THE BOND. THE BOND SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT PROVISION.

Section 2.09. Authentication. The Bond shall not be valid or obligatory for any purpose or entitled to any security or benefit under this Bond Issuance Agreement unless and until a certificate of authentication on the Bond, substantially in the form herein set forth, shall have been duly executed by the Fiscal Agent, and such executed certificate of the Fiscal Agent upon the Bond shall be conclusive evidence that the Bond has been authenticated and delivered under this Bond Issuance Agreement. The Fiscal Agent's certificate of authentication on the Bond shall be deemed to have been executed by it if manually signed by an authorized signatory of the Fiscal Agent.

Section 2.10. Form of the Bond and Temporary Bond, (a) The Bond, and the Fiscal Agent's certificates of authentication to be endorsed thereon, shall be in substantially the forms herein set forth, with such variations, omissions and insertions as are permitted or required by this Bond Issuance Agreement. The Bond shall provide that the principal thereof and interest thereon shall be payable only out of Revenues.

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(b) The Bond may be initially issued in temporary form exchangeable for a definitive Bond when ready for delivery. The temporary Bond shall be in the same denomination as the Bond, and such temporary Bond may contain such reference to any of the provisions of this Bond Issuance Agreement as the Issuer may deem appropriate. The temporary Bond shall be executed by the Issuer and shall be authenticated by the Fiscal Agent upon the same conditions, and in substantially the same manner, as the definitive Bond. If the Issuer issues a temporary Bond in lieu of the definitive Bond, the Issuer shall execute and furnish the definitive Bond without delay, and thereupon the temporary Bond shall be surrendered for cancellation in exchange therefor at the Designated Office of the Fiscal Agent, and the Fiscal Agent shall authenticate and deliver in exchange for such temporary Bond a definitive registered Bond of the same series and maturity, and in the same denomination bearing the same interest rate. Until so exchanged, the temporary Bond shall be entitled to the same benefits under this Bond Issuance Agreement as the definitive Bond, but only to the extent that such temporary Bond is authenticated and delivered hereunder.

Section 2.11. Delivery of the Bond, (a) Upon (i) receipt by the Issuer of a duly executed Investor Letter, in the form attached hereto as Exhibit E, from the Bondholder, (ii) the execution and delivery of this Bond Issuance Agreement, the Loan Agreement, the Bond, the Owner Note, the Owner Collateral Documents, the Tax Agreement, and the Security for the Bond, (iii) the execution, delivery and recording of the Land Use Restriction Agreement, and the receipt by the Issuer of evidence of the priority of the Land Use Restriction Agreement over the Owner Collateral Documents, (iv) delivery by the Issuer to the Fiscal Agent of a copy of the Ordinance, certified by the Issuer to be in full force and effect, and (v) receipt by the Issuer of an opinion of Bond Counsel to the effect that the Bond has been duly authorized and issued, and that interest thereon is excluded from gross income of the owners thereof for Federal income tax purposes, the Issuer shall execute and deliver to the Fiscal Agent and the Fiscal Agent shall authenticate the Bond and deliver the Bond to the Bondholder as directed by the Issuer.

(b) Advances of proceeds under the Bond shall be paid by the Bondholder over to the Fiscal Agent from time to time and deposited in the Construction Fund pursuant to Article IV hereof. Promptly following the approval by the Bondholder of each written request for a disbursement from the Construction Fund in accordance with the provisions of the Loan Agreement, the Bondholder shall advance to the Fiscal Agent, as a draw under the Bond, sufficient moneys to permit the Fiscal Agent to make the approved disbursement in question (taking into account for such purpose any available moneys in the Construction Fund that were previously advanced under paragraph (c) of this Section 2.11 and not yet disbursed).

(c) At the time of the authentication and delivery of the Bond to the Bondholder as directed by the Issuer, the Bondholder shall fund a drawing on the Bond of an amount in excess of \$50,000.

Section 2.12. Mutilated, Lost Stolen or Destroyed Bond. In the event the Bond is mutilated, lost, stolen or destroyed, the Issuer may execute, and the Fiscal Agent shall authenticate and deliver, a new Bond of like date, maturity, series, interest rate and denomination as the Bond mutilated, lost, stolen or destroyed. In each such case, the applicant for a substitute Bond shall furnish to the Issuer and the Fiscal Agent such security or indemnity as may be required by them to save each of them harmless. In each case of loss, theft or destruction, the applicant shall furnish to the Issuer and the Fiscal Agent evidence to their satisfaction of the loss, theft or destruction of such Bond and of the ownership thereof, and in each case of the mutilation of any Bond, the applicant shall surrender the mutilated Bond to the Fiscal Agent. Upon the issuance of a substitute Bond, the Issuer and the Fiscal Agent may

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require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses and fees connected therewith. In the event an Bond has matured or is about to mature and is mutilated, lost, stolen, or destroyed, the Issuer may, instead of the issuing a substitute Bond as permitted by this Section, pay or authorize the payment of the same upon satisfaction of the conditions set forth above.

Section 2.13. Bond Registrar; Registration Books; Persons Treated as Bondholder; Restrictions on Transfer, (a) The Issuer shall cause books for the registration and transfer of the Bond, as provided in this Bond Issuance Agreement, to be kept by the Fiscal Agent, which is hereby constituted and appointed the Bond Registrar of the Issuer. Upon surrender for transfer of the Bond at the Designated Office of the Fiscal Agent, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Fiscal Agent and duly executed by the registered owner or his attorney duly authorized in writing, and accompanied by a Qualified Transferee Letter executed by the party to whom the Bond are to be transferred, the Issuer shall execute, and the Fiscal Agent shall authenticate and deliver in the name of the transferee, a new Bond of the same series, interest rate and maturity for like principal amount. The Bond may not be transferred in part, and the Bond shall be transferred as a whole, so at all times there is but one registered owner of the Bond; provided that the Bondholder may, subject to applicable law, transfer participations in the Bond. Upon the making of any such transfer, the transferor may assign to the transferee its interests in, to and under the Owner Note, the Assignment and the Owner Collateral Documents, and in the event of any such assignment, the transferor shall notify the Issuer and the Owner of such assignment.

(b) The Fiscal Agent shall not be required to transfer or exchange the Bond during the period of 15 days prior to any Interest Payment Date on the Bond, or to transfer or exchange the Bond after the mailing of notice calling the Bond for redemption as herein provided, or during the period of 15 days prior to any redemption date.

(c) Any exchange of a temporary Bond for a definitive Bond shall be without charge, except for the payment of any tax, fee or other governmental charge. With respect to any other exchange or transfer, the Fiscal Agent may charge a sum not exceeding the actual cost (if any) of printing a new Bond to be issued upon such exchange or transfer, together with

reasonable expenses of the Fiscal Agent in connection therewith. In each case the Fiscal Agent shall require the payment by the registered owner of the Bond requesting exchange, registration or transfer, of any tax, fee or other governmental charge required to be paid with respect to such exchange, registration or transfer. Any Bond surrendered upon exchange or transfer provided for in this Bond Issuance Agreement shall be promptly cancelled by the Fiscal Agent and thereafter disposed of in accordance with Section 2.14 hereof.

(d) The Person in whose name the Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of principal thereof or interest thereon, shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid.

Section 2.14. Cancellation of Bond. Whenever the Bond shall be delivered to the Fiscal Agent for cancellation pursuant to this Bond Issuance Agreement, upon payment of the principal and interest represented thereby, or for replacement, transfer or exchange pursuant to Section 2.13 hereof, such Bond shall be promptly cancelled and destroyed by the Fiscal Agent,

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and a certificate as to such cancellation and destruction shall be furnished by the Fiscal Agent to the Issuer and the Owner.

Section 2.15. Conditions to Bondholder's Purchase of the Bond. The Bondholder's obligation to purchase and accept the delivery of the Bond is expressly conditioned upon the following:

- (a) No Event of Default or Unmatured Event of Default shall exist hereunder;
- (b) The representations and warranties of the Issuer contained herein and in the Loan Agreement shall not prove to be incorrect or misleading in any material respect;
- (c) The Bondholder shall have received an opinion of Bond Counsel in form acceptable to Bondholder to the effect that the interest payable on the Bond is excludable from the Federal gross income of the Bondholder;
- (d) The Bondholder shall have received all of the Owner Collateral Documents, and all other documents required to be delivered to Bondholder under the Loan Agreement or the Bondholder Loan Agreement, in form acceptable to Bondholder;
- (e) The conditions precedent to the first disbursement of the proceeds of the Loan set forth in Articles X and XI of the Loan Agreement have been satisfied; and
- (f) the Bondholder shall have received payment of its transaction fees relating to the purchase of the Bond equal to 100 basis points (1.00%) times the face amount of the Bond.

ARTICLE III

REDEMPTION OF BOND BEFORE MATURITY; CHANGES IN CIRCUMSTANCE

Section 3.01. Optional Redemption. The Bond is subject to optional redemption prior to maturity on any Business Day by the Issuer pursuant to the request of the Owner in accordance with Section 3.1(a) of the Loan Agreement, in whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed plus accrued interest to the date fixed for redemption, by the Owner giving written notice to the Bondholder and the Issuer not less than five (5) Business Days prior to such applicable redemption date. Any notice under this Section 3.01

shall be given in the manner provided in Section 9.05 hereof. The Owner may withdraw any such notice, and revoke the election made therein, by giving written notice of such withdrawal and revocation to the Bondholder and the Issuer on or before the date fixed for redemption.

Section 3.02. Mandatory Redemption. The Bond is subject to redemption prior to maturity on any Business Day by the Issuer in accordance with Section 3.1(b) of the Loan Agreement, in whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed plus accrued interest to the date fixed for redemption upon the occurrence of any of the events set forth in said Section 3.1(b).

Section 3.03. Funding Losses. As provided in the Loan Agreement, the Owner will indemnify the Bondholder upon demand against any loss or expense, including, without

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limitation, reasonable attorneys' fees and expenses, which the Bondholder may sustain or incur (including, without limitation, any loss or expense sustained or incurred in obtaining, liquidating or employing deposits or other funds acquired to effect, fund or maintain the Loan and/or the Bond) as a consequence of (a) any failure of Owner to make any payment when due of any amount due hereunder or thereunder, or (b) any payment or prepayment of the Loan and/or the Bond on a date other than the scheduled payment dates therefor, whether voluntarily or by reason of acceleration, and including any loss incurred in obtaining, prepaying, liquidating or employing deposits or other funds from third parties and any loss of revenue, profit or yield, as determined by the Bondholder in its judgment reasonably exercised (together, "Consequential Loss") incurred by the Bondholder. Determinations by the Bondholder for purposes of this Section of the amount required to indemnify the Bondholder shall be conclusive in the absence of manifest error.

ARTICLE IV

REVENUES AND FUNDS

Section 4.01. Revenues; Payment Notations, (a) The Fiscal Agent is authorized and directed, subject to Section 7.06 of this Bond Issuance Agreement, to apply all available Revenues to the payment of the principal of and interest on the Bond as and when received, including, without limitation, (i) any amount in the Construction Fund or the escrow account referred to in Section 9.4 of the Loan Agreement, in either case to the extent provided in such Section; (ii) all payments specified in Section 2.2 (except payments under paragraph (c) thereof) of the Loan Agreement, including, without limitation, payments on the Owner Note and amounts applied to payment of the Owner Note under the Owner Collateral Documents; (iii) all prepayments specified in Article III of the Loan Agreement, including, without limitation, prepayments made on the Owner Note; and (iv) all other moneys received by the Bondholder under and pursuant to any of the provisions of the Loan Agreement that are required or are accompanied by directions that such moneys are to be applied to the payment of the principal of and interest on the Bond. Except as otherwise directed in Article II hereof, all Revenues shall be applied (i) first, to the payment of interest on the Bond, and (ii) second to the payment of principal of the Bond.

(b) Subject to Section 2.08 hereof, the Issuer hereby covenants and agrees that as long as the Bond is outstanding it will pay, or cause to be paid, to the Bondholder, sufficient sums from Revenues promptly to meet and pay the principal of and interest on the Bond as the same become due and payable. Nothing herein shall be construed as requiring the Issuer to use any funds or revenues from any source other than Revenues.

(c) The Fiscal Agent shall note on the payment record attached as Schedule A to the Bond, or in the Fiscal Agent's books and records relating to the Bond, the date and amount of (i) each draw increasing the principal amount of the Bond, and (ii) each payment of principal (whether at maturity or upon acceleration or prior redemption) and/or interest on the Bond. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof. The

failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Issuer hereunder or under the Bond to repay the principal amount thereof together with all interest accruing thereon.

Section 4.02. Creation of Construction Fund; Disbursements, (a) There is hereby created by the Issuer and ordered established with the Fiscal Agent a Fund in the name of the

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Issuer to be designated "City of Chicago Construction Fund (Shops and Lofts at 47th Project)" (the "Construction Fund"). Within the Construction Fund is hereby created by the Issuer and ordered established with the Fiscal Agent an Account in the name of the [Fiscal Agent, as agent of the Issuer,] to be designated "City of Chicago Construction Fund (Shops and Lofts at 47th Project), Series 2012" (the "Construction Account"). Advances of proceeds under the Bond shall be deposited in the Construction Account.

(b) The Issuer hereby authorizes and directs the Fiscal Agent to use the moneys in the Construction Account, pursuant to written requests therefor submitted by the Owner (except as otherwise provided in Section 4.04 hereof), and approved in writing by the Bondholder, for payment of the Costs of the Project, and for payment of principal of and interest on the Bond in accordance with Sections 4.01 and 3.02 hereof and Article IX of the Loan Agreement. The Fiscal Agent shall keep and maintain adequate records pertaining to the Construction Account and all disbursements therefrom, and shall promptly, following a written request therefor, submit to the Issuer, the Owner or the Bondholder copies of all reports, statements of receipts and disbursements and the like relating to the Construction Account. Any amounts remaining in the Construction Account when the Project is Complete shall be applied to prepay the Bond, pursuant to Section 3.02 of this Bond Issuance Agreement.

(c) Upon the occurrence of an Event of Default under Section 12.1(f) of the Loan Agreement, a declaration of acceleration following the occurrence of any Event of Default hereunder, or a redemption of the Bond, any moneys remaining in the Construction Account shall be used to pay the principal and interest then due and unpaid on the Bond.

(d) Notwithstanding the foregoing, disbursements from the Construction Fund to pay interest on the Bond shall be made automatically without the need to comply with any other requirements for disbursements therefrom.

Section 4.03. Fiscal Agent's Fees, Charges and Expenses. The Fiscal Agent agrees that the Issuer shall have no liability for any fees, charges and expenses of the Fiscal Agent, and the Fiscal Agent agrees to look only to the Owner for the payment of all reasonable fees, charges and expenses of the Fiscal Agent as provided in the Loan Agreement and in this Bond Issuance Agreement.

Section 4.04. Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Fiscal Agent for the account of the Construction Fund or the escrow account referred to in Section 9.4 of the Loan Agreement under any provision of this Bond Issuance Agreement or the Loan Agreement shall be held by the Fiscal Agent in trust and applied for the purposes herein or therein specified. No Person not a party hereto shall have any rights to the money in the Construction Fund or the escrow account referred to in Section 9.4 of the Loan Agreement.

Section 4.05. Repayment of Excess Moneys. Any amounts remaining in any fund, or otherwise paid to the Fiscal Agent on behalf of the Issuer under this Bond Issuance Agreement or the Loan Agreement, after payment in full of the principal of and interest on the Bond, the fees, charges and expenses of the Issuer and the Fiscal Agent, and all other amounts required to be paid under this Bond Issuance Agreement and the Loan Agreement shall be paid (a) first, to the Issuer to the extent of any moneys owed by the Owner to the Issuer, and (b) second, to the Owner.

ARTICLE V

INVESTMENT OF MONEYS

Section 5.01. Investment of Moneys. Any moneys held as part of the Construction Account shall be invested or reinvested by the Fiscal Agent in Eligible Investments in accordance with the provisions of Section 9.6 of the Loan Agreement. The direction and written confirmation specified in Section 9.6 of the Loan Agreement shall specify to the extent applicable the issuer or obligor, the principal amount, maturity date and interest rate of each such Eligible Investment. All such Eligible Investments shall be held by or under the control of the Fiscal Agent and shall be deemed at all times a part of such Account, and the interest accruing thereon, if any, and any profit realized from such Eligible Investments shall be credited to such Account. Any loss resulting from such investments shall be charged to such Account.

Section 5.02. Investments through Fiscal Agent's Investment Department. The Fiscal Agent may make any and all investments permitted by the provisions of Sections 5.01 through its own investment department or that of an affiliate. Upon the written direction of the Owner or the Issuer, the Fiscal Agent shall confirm in writing any investment made with the moneys in the Construction Account. The Fiscal Agent shall answer all reasonable inquiries from the Owner or the Issuer as to the status of moneys in the Construction Account. The Fiscal Agent shall file with the Issuer a copy of its statements that it delivers to the Owner with respect to the investment of any funds held under this Bond Issuance Agreement.

ARTICLE VI

GENERAL COVENANTS OF ISSUER

Until payment in full of the Bond, the Issuer covenants and agrees that each of the covenants, undertakings and agreements set forth in this Section shall be complied with:

Section 6.01. Payment of Principal and Interest. The Issuer covenants that it will promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner provided herein and in the Bond according to the true intent and meaning hereof and thereof; provided, however, that the Bond shall be a special, limited obligation of the Issuer payable as to principal and interest solely from the Revenues as provided in Section 2.08 of this Bond Issuance Agreement.

Section 6.02. Performance of Covenants. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Bond Issuance Agreement and in the Bond; provided, however, that the Issuer shall not be obligated to take any action or execute any instrument pursuant to any provision hereof until it shall have been requested to do so by the Owner or the Bondholder, and, at the option of the Issuer, until it shall have received from the Owner or the Bondholder assurance satisfactory to the Issuer that the Issuer shall be reimbursed for its reasonable expenses incurred or to be incurred in connection with taking such action or executing such instrument. The Issuer represents that it is duly authorized pursuant to the Ordinance to issue the Bond, to execute this Bond Issuance Agreement, to pledge and assign the Loan Agreement, the Owner Note and the Security for the Bond, and the amounts payable under the Loan Agreement, the Owner Note and the Security for the Bond, in the manner and to the extent set forth herein and in the Assignment; that all action on its part required for the issuance of the Bond and the execution and delivery of this Bond Issuance Agreement has been duly and effectively taken; and that the

Bond in the hands of the Bondholder is and will be a valid and enforceable obligation of the Issuer according to the terms thereof and hereof. Anything contained in this Bond Issuance Agreement to the contrary notwithstanding, it is hereby understood that none of the covenants of the Issuer contained in this Bond Issuance Agreement are intended to create a pecuniary obligation of the Issuer with respect to payment of principal of and interest on the Bond.

Section 6.03. Assigned Rights; Instruments of Further Assurance. The Issuer represents that the pledge and assignment of the Security for the Bond to the Bondholder hereby made is valid and lawful. The Issuer covenants that it will defend its interest in and to the Loan Agreement, the Owner Note, the Security for the Bond and the Revenues, and the pledge and assignment thereof to the Bondholder, against the claims and demands of all Persons whomsoever; provided, however, that all reasonable attorneys' fees and expenses incurred by the Issuer in the performance of its obligations under this covenant shall be paid by the Owner. The Issuer covenants that it will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered, such agreements supplemental hereto and such further acts, instruments and transfers as the Bondholder may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Bondholder of the Loan Agreement, the Owner Note, the Security for the Bond and the Revenues, the rights pledged and assigned hereby, and the amounts pledged to the payment of the principal of and interest on the Bond; provided, however, that the Issuer undertakes no responsibility for the preparation or filing of any such instrument or the maintenance of any security interest intended to be perfected thereby, all of which shall be the responsibility of the Bondholder and the Owner. The Issuer covenants and agrees that, except as herein, in the Loan Agreement and in the Assignment provided, it will not sell, convey, mortgage, encumber or otherwise dispose of any part of its interest in and to the Loan Agreement, the Owner Note, the Security for the Bond or the Revenues.

Section 6.04. Recordation and Other Instruments. In order to perfect the security interest of the Bondholder in the Security for the Bond, the Issuer, to the extent permitted by law, will execute such assignments, security agreements or financing statements, naming the Bondholder as assignee and pledgee of the Security for the Bond assigned and pledged under this Bond Issuance Agreement for the payment of the principal of and interest on the Bond and as otherwise provided herein, as the Bondholder shall reasonably request in writing, and the Owner will cause the same to be duly filed and recorded, as the case may be, in the appropriate state and county offices as required by the provisions of the Uniform Commercial Code or other similar law as adopted in Illinois, as from time to time amended. To continue the security interest evidenced by the financing statements, the Bondholder shall file and record, or cause to be filed and recorded, such necessary continuation statements or supplements thereto and other instruments from time to time as may be required pursuant to the provisions of the said Uniform Commercial Code or other similar law to fully preserve and protect the security interest of the Bondholder in the Security for the Bond and to perfect the lien hereof and the rights of the Bondholder hereunder. The Issuer, to the extent permitted by law, at the expense of the Owner, shall execute and cause to be executed any and all further instruments as shall be reasonably requested in writing by the Bondholder for such protection and perfection of the interests of the Bondholder, and the Issuer or its agent shall, upon written direction from the Bondholder, file and refile or cause to be filed and refiled such instruments as shall be necessary to preserve and perfect the lien of this Bond Issuance Agreement upon the Security for the Bond until the principal of and interest on the Bond issued hereunder shall have been paid or provision for payment shall be made as herein provided.

Section 6.05. Inspection of Books. The Issuer, the Fiscal Agent and the Bondholder covenant and agree that all books and documents in their possession relating to the Project and

the Revenues shall at all reasonable times be open to inspection by such accountants or other agencies as the other parties may from time to time designate.

Section 6.06. Rights Under Loan Agreement. The Loan Agreement, a duly executed copy of which has been delivered to the Bondholder, sets forth the covenants and obligations of the Issuer and the Owner, including provisions to the effect that subsequent to the issuance of the Bond and prior to its payment in full or provision for payment thereof in accordance with the provisions hereof, the Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Issuer and the Bondholder, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Issuer and the Owner thereunder. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer and all obligations of the Owner under and pursuant to the Loan Agreement, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default hereunder; provided, however, that the foregoing shall not apply to Issuer Reserved Rights.

Section 6.07. Prohibited Activities. The Issuer covenants and agrees that it has not engaged, and will not engage, in any activities, and that it has not taken, and will not take, any action, that might result in any interest on the Bond becoming includible in the gross income of the owner of the Bond under Federal income tax laws.

Section 6.08. Arbitrage. The Issuer shall not take any action within its power or fail to take any action of which it has knowledge with respect to the investment of the proceeds of the Bond, including, without limitation, moneys on deposit in any Fund or Account in connection with the Bond, whether or not such moneys were derived from the proceeds of the sale of the Bond or from any other sources, or with respect to the payments derived from the Owner Note which may result in constituting the Bond an "arbitrage bond" within the meaning of such term as used in Section 148 of the Code and the Regulations. The Fiscal Agent shall create a rebate fund upon direction by the Issuer or the Owner to facilitate the payment of any rebatable arbitrage that may arise.

Section 6.09. Representations of the Issuer Contained in Loan Agreement. The representations of the Issuer contained in Article V of the Loan Agreement are hereby restated and incorporated into this Bond Issuance Agreement by reference for the benefit of the Bondholder.

ARTICLE VII

DEFAULT PROVISIONS AND REMEDIES OF BONDHOLDER

Section 7.01. Events of Default. Each of the following is hereby defined and declared to be and shall constitute an "Event of Default" hereunder:

(a) default by the Issuer in the due and punctual payment of any amount required to be paid under the Bond or this Bond Issuance Agreement, whether by way of principal, interest or otherwise, including, without limitation, any mandatory redemption required by Section 3.02 of this Bond Issuance Agreement; provided that such default shall not constitute

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an Event of Default hereunder if such default is cured within ten (10) days after the date when due; or

(b) default in the performance or observance of any other of the covenants, agreements or conditions on the part of the Issuer in this Bond Issuance Agreement or in the Bond (and not constituting an Event of Default under any of the other provisions of this Section 7.01); provided that such default shall not constitute an Event of Default hereunder if such default

is cured within 90 days after written notice thereof to the Issuer and the Owner from the Bondholder as long as during such period the Issuer and/or the Owner is using its best efforts to cure such default and such default can be cured in such period; or

(c) any Event of Default shall occur under the Loan Agreement or any of the Owner Collateral Documents; or

(d) any representation or warranty made by the Issuer herein is breached or is false or misleading in any material respect, or any schedule, certificate, financial statement, report, notice or other writing furnished by the Issuer to the Bondholder is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified; or

(e) this Bond Issuance Agreement or the Bond or any of the Owner Collateral Documents, or any lien granted by the Owner or the Issuer to the Bondholder, shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligations of the Issuer; or the Issuer shall directly or indirectly, contest in any manner such effectiveness, validity, binding nature or enforceability.

Notwithstanding anything to the contrary contained herein, the Fiscal Agent and the Issuer hereby agree that any cure of any default made or tendered by one or more of the Owner's partners shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 7.02. Acceleration. Upon the occurrence of an Event of Default hereunder and as long as such Event of Default has not been waived in writing by Bondholder, the Bondholder may, by notice in writing delivered to the Issuer and the Owner, declare the entire principal amount of the Bond then outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable, subject, however, to the right of the Bondholder, by written notice to the Issuer and the Owner, to annul such declaration and rescind its effect as hereinafter provided.

Section 7.03. Other Remedies; Rights of Bondholder, (a) Upon the occurrence of an Event of Default hereunder, the Bondholder may exercise and enforce such rights as exist under the Loan Agreement and the Owner Collateral Documents or pursue any available remedy by suit at law or in equity or by statute to enforce the payment of the principal of and interest on the Bond, or to enforce any obligations of the Issuer hereunder.

(b) No remedy by the terms of this Bond Issuance Agreement conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and in addition to any other remedy given to the Bondholder hereunder or now or hereafter existing at law or in equity or by statute.

(c) No delay or omission to exercise any right or power accruing upon any Event of Default hereunder shall impair any such right or power or shall be construed to be a

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waiver of any such Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. No waiver of any Event of Default hereunder shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

(d) All remedies for which provision is made in this Bond Issuance Agreement shall be available only to the extent such remedies are not prohibited by the laws of the State of Illinois, decisions of courts of the State of Illinois or any other applicable law, statute, ordinance, regulation or court decision.

Section 7.04. Appointment of Receivers. Upon the occurrence of an Event of Default hereunder, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Bondholder under this Bond Issuance Agreement, the Bondholder shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Security for the Bond and of the revenues, earnings and income thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 7.05. Waiver of Rights. Except as specified in Section 7.09 hereof, upon the occurrence of an Event of Default hereunder, to the extent that such rights may then lawfully be waived, neither the Issuer, nor anyone claiming through or under the Issuer, shall set up, claim, or seek to take advantage of any appraisal, valuation, stay, extension, exemption or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of this Bond Issuance Agreement, and the Issuer, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 7.06. Application of Funds. All funds received by the Bondholder pursuant to any right given or action taken under the provisions of this Article, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Bondholder or the Issuer, shall be applied to pay the principal of and interest on the Bond on the basis set forth in Section 4.01 hereof. Notwithstanding any other provision of this Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) as long as an Event of Default has not occurred and is not continuing, with respect to payments and other amounts then due under the Owner Note, or, if all such payments and other amounts, if any, have been paid, may be applied as directed by the Owner, and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

Section 7.07. Termination of Proceedings. In case the Bondholder shall have proceeded to enforce any right under this Bond Issuance Agreement by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Issuer, the Owner, the Fiscal Agent and the Bondholder shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Bondholder shall continue as if no such proceedings had been taken.

Section 7.08. Termination of Bond Issuance Agreement. This Bond Issuance Agreement shall terminate when the Bond has been finally, indefeasibly and fully paid, at which time the Bondholder shall, on a timely basis, reassign and redeliver (or cause to be reassigned and redelivered) to the Issuer, or to such Person or Persons as the Issuer shall designate in writing, against receipt, such of the Security for the Bond (if any) assigned by the Issuer to the Bondholder as shall not have been sold or otherwise applied by the Bondholder pursuant to the

terms hereof, and as shall still be held by it hereunder, together with appropriate instruments of reassignment and release, including, without limitation, any Uniform Commercial Code termination statements. Any such reassignment shall be without recourse upon, or representation or warranty by, the Bondholder and shall be at the cost and expense of the Owner. Should a claim ("Recovery Claim") be made upon the Bondholder at any time for recovery of any amount received by the Bondholder in payment of the Bond (whether received from the Issuer, the Owner or otherwise), and should the Bondholder repay all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over the Bondholder or any of its property, or (b) any settlement or compromise of any such Recovery Claim effected by the Bondholder with any such claimant (including, without limitation, the Owner), this Bond Issuance Agreement and the security interests granted to the Bondholder pursuant hereto shall continue in effect with respect to the amount so repaid to the same extent as if such amount had never originally been received by the Bondholder, notwithstanding any prior termination of this Bond Issuance Agreement, the return of this Bond Issuance Agreement to the

Issuer or cancellation of the Bond. Notwithstanding anything in this Section 7.08, any collateral that is also collateral for the indebtedness evidenced by the Permanent Note, TIF Note A or TIF Note B (each as defined in the Bondholder Loan Agreement) shall not be released by Bondholder prior the date that each applicable note has been paid in full and the Bondholder Loan Agreement has been terminated.

Section 7.09. Waivers of Events of Default. Except for an Event of Default with respect to any Issuer Reserved Rights, the Bondholder may in its discretion waive in writing any Event of Default hereunder or under the Owner Note not involving any Issuer Reserved Rights and its consequences and rescind in writing any declaration of acceleration of principal of and interest on the Bond, and in case of any such waiver or rescission, or in case any proceeding taken by the Bondholder on account of any such default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Owner, the Fiscal Agent and the Bondholder shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.10. Cooperation of the Issuer. If an Event of Default hereunder shall occur, the Issuer shall cooperate with the Bondholder and use its best efforts to protect the interests of the Bondholder with respect to this Bond Issuance Agreement, the Bond, the Security for the Bond and the Revenues.

ARTICLE VIII

FISCAL

AGENT

Section 8.01. Appointment of Fiscal Agent, (a) JPMorgan Chase Bank, N.A. shall serve as the initial Fiscal Agent hereunder. The Fiscal Agent may resign at any time upon 30 days' prior written notice to the Owner, the Issuer and the Bondholder.

(b) Upon the resignation of any Fiscal Agent, the Bondholder, with the prior written consent of the Issuer, shall designate a successor Fiscal Agent and shall so notify the Owner in writing. If a successor Fiscal Agent has not been appointed and has not accepted such appointment by the end of the 30-day period, the Fiscal Agent may apply to a court of competent jurisdiction for the appointment of a successor Fiscal Agent, and the costs, expenses and reasonable attorneys' fees which are incurred in connection with such a proceeding shall be paid by the Owner. Any successor Fiscal Agent shall be a bank or savings and loan association

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located in the City of Chicago, and shall at all times be a member of the Federal Deposit Insurance Corporation. No resignation shall become effective until a successor has been designated and accepted such designation in writing.

(c) Removal of Fiscal Agent. The Fiscal Agent may be removed at any time, by instrument in writing delivered to the Fiscal Agent, the Issuer and the Owner and signed by the Bondholder. No removal shall become effective until a successor has been designated and accepted such designation in writing.

Section 8.02. Successor Fiscal Agents, (a) Any corporation or association into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor Fiscal Agent hereunder and vested with all of the title to the Security for the Bond and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any

instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that such successor Fiscal Agent shall satisfy the requirements of Section 8.01(b) hereof relating to the qualifications of successor Fiscal Agents.

(b) In case the Fiscal Agent hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Bondholder, by an instrument in writing signed by it, or by its attorneys in fact, duly authorized. In case of any such vacancy, the Issuer, by an instrument executed by its Chief Financial Officer and attested by its Secretary under its seal, may appoint a temporary Fiscal Agent to fill such vacancy until a successor Fiscal Agent shall be appointed by the Bondholder in the manner above provided; and any such temporary Fiscal Agent so appointed by the Issuer shall immediately and without further act be superseded by the Fiscal Agent so appointed by the Bondholder.

Section 8.03. Indemnification and Reimbursement of Fees of Fiscal Agent and Issuer. The Fiscal Agent and the Issuer shall be entitled to payment and reimbursement for fees for services rendered under this Bond Issuance Agreement and all advances, reasonable counsel fees and other expenses made or incurred by the Fiscal Agent or the Issuer in connection with such services. The Fiscal Agent shall be entitled to payment and reimbursement for its reasonable fees and charges as Bond Registrar for the Bond as hereinabove provided. The Fiscal Agent and the Issuer shall look solely to the Owner for the payment of such amounts as provided herein and in the Loan Agreement, and the Issuer shall not be liable therefor. The Fiscal Agent, the Bondholder and the Issuer are indemnified as provided in the Loan Agreement.

ARTICLE IX

MISCELLANEOUS

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Section 9.01. Unclaimed Moneys. Any moneys deposited with the Fiscal Agent by the Issuer, in accordance with the terms and covenants of this Bond Issuance Agreement, in order to redeem or pay the Bond, and remaining unclaimed by the Bondholder at any time after two years after the date fixed for redemption or of maturity, as the case may be, shall be repaid by

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the Fiscal Agent to the Issuer, or to such party (the "Designee") as is directed by the Issuer, upon its Written Request therefor; and thereafter the registered owner of the Bond shall be entitled to look only to the Issuer or the Designee for payment thereof; provided, however, that the Fiscal Agent, before being required to make any such repayment, shall, at the expense of the Owner, effect publication at least once in a newspaper of general circulation in the City of Chicago, Illinois, printed in the English language and customarily published on each Business Day, of a notice to the effect that said moneys have not been so applied and that after the date named in said notice any unclaimed balance of said moneys then remaining shall be returned to the Issuer or the Designee. If the amount remaining unclaimed has been paid by the Owner under the Owner Note, the unclaimed amount will be paid to the Owner, and the Owner shall be the Designee (unless the Issuer has fully released the Owner under the Owner Note).

Section 9.02. Consents of Bondholder. Any consent, request, direction, approval, objection or other instrument required by this Bond Issuance Agreement to be signed and executed by the Bondholder may be executed by the Bondholder in person or by its agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bond, if made in the following manner, shall be sufficient for any of the purposes of this Bond

Issuance Agreement, and shall be conclusive in favor of the Fiscal Agent and the Issuer with regard to any action taken by either of them under such request or other instrument, namely:

(a) the fact and date of the execution by any Person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the Person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution; and

(b) the ownership of the Bond shall be proved by the registration books maintained by the Bond Registrar.

Section 9.03. Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Bond Issuance Agreement or the Bond is intended or shall be construed to give to any Person other than the parties hereto and the Owner any legal or equitable right, remedy or claim under or with respect to this Bond Issuance Agreement or any covenants, conditions and provisions herein contained, this Bond Issuance Agreement and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and the Owner.

Section 9.04. Severability. If any provision of this Bond Issuance Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Bond Issuance Agreement shall not affect the remaining portions of this Bond Issuance Agreement, or any part thereof; provided, however, that no holding of invalidity shall require the Issuer to make any payments from any moneys other than Revenues.

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Section 9.05. Notices. Any notice, request, complaint, demand, communication or other paper shall be in writing and shall be sufficiently given, and shall be deemed given, when delivered or mailed as provided in Section 14.3 of the Loan Agreement. A duplicate copy of each notice required to be given hereunder by the Bondholder or the Fiscal Agent to the Issuer or the Owner shall also be given to the others. The Issuer, the Owner, the Fiscal Agent and the Bondholder may designate any further or different addresses to which subsequent notices, requests, complaints, demands, communications and other papers shall be sent.

Section 9.06. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of interest on or principal of the Bond or the date fixed for prepayment of all or a portion of the Bond shall be on Saturday, Sunday or other day which is not a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day and the Bond shall continue to bear interest until such date.

Section 9.07. Duplicates. This Bond Issuance Agreement may be executed in several duplicates, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.08. Governing Law. This Bond Issuance Agreement, the Bond and the rights and obligations of the parties hereunder and thereunder shall be construed in accordance with and be governed by the laws of the State of Illinois, without regard to its conflict of laws principles.

Section 9.09. Immunity of Issuer's Officers. No recourse shall be had for the

payment of the principal of and interest on the Bond or for any claim based thereon or upon any obligation, covenant or agreement contained in this Bond Issuance Agreement, against any past, present or future officer, official, supervisor, director, agent or employee of the Issuer, or any officer, official, supervisor, director, agent or employee of any successor public body or entity, as such, either directly or through the Issuer or any successor corporation or entity, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, official, supervisor, director, agent or employee as such is hereby expressly waived and released as a condition of and consideration for the execution of this Bond Issuance Agreement and the issuance of the Bond.

Section 9.10. Continuing Assignment and Security Interest Upon Transfer of Bond. This Bond Issuance Agreement shall create a continuing assignment of, and security interest in, the Security for the Bond, and shall (i) remain in full force and effect until payment in full of the Bond, (ii) be binding upon the Issuer, its successors and assigns, and (iii) inure to the benefit of the Bondholder and its successors, permitted transferees and assigns. Without limiting the generality of the foregoing clause (iii), the Bondholder may assign or otherwise transfer, subject to Section 2.13 hereof, the Bond to any other Person as provided in this Bond Issuance Agreement, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to the Bondholder herein or otherwise upon delivery to the Issuer in writing of an acknowledgment of such other Person of such assignment or transfer, and agreeing to accept and perform any duties or obligations imposed upon it under this Bond Issuance Agreement.

Section 9.11. Amendments. Changes and Modifications. Subsequent to the initial issuance of the Bond and prior to its payment in full (or provision for payment thereof having been made in accordance with the provisions of this Bond Issuance Agreement), this Bond

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Issuance Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Bondholder, the Issuer and the Owner.

Section 9.12. Term of this Bond Issuance Agreement. This Bond Issuance Agreement shall be in full force and effect from the date hereof, and shall continue in effect until the indefeasible payment in full of the Bond and all other obligations due hereunder. All matters affecting the tax-exempt status of the Bond shall survive the termination of this Bond Issuance Agreement.

Section 9.13. Binding Effect. This Bond Issuance Agreement shall inure to the benefit of, and shall be binding upon, the Issuer and the Bondholder and their respective successors and assigns.

Section 9.14. Waivers. If any agreement contained in this Bond Issuance Agreement should be breached by the Issuer and thereafter waived by the Bondholder, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. All waivers by the Bondholder of breaches hereof by the Issuer shall be in writing.

Section 9.15. Participation, (a) The Bondholder shall have the right to grant participations in or to the Bond hereunder and to the Owner Note all without notice to or consent from the Issuer, but subject to the restriction on transfer (including, but not limited to, the provision of a Qualified Transferee Letter to the Issuer) set forth herein and in the Bond, and provided that there shall at all times be but one registered owner of the Bond. No holder of a participation in all or any part of the Bond and the Owner Note shall have any rights under this Bond Issuance Agreement.

(b) The Issuer hereby consents to the disclosure of any information obtained in connection herewith (i) by the Bondholder to any Person which is a participant or potential participant pursuant to clause (a) above, it being understood that the Bondholder and its assigns shall advise any such Person of its obligation to keep confidential any non-public information

disclosed to it pursuant to this Section 9.15. The Bondholder shall advise the Issuer of each Person which becomes a participant pursuant to clause (a) above.

Section 9.16. Entire Agreement. This Bond Issuance Agreement, together with the Owner Note, the Loan Agreement, the Assignment and the Bond, constitutes the entire agreement among the parties with respect to the subject matter hereof, and supersedes all written or oral understandings with respect thereto.

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IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

CITY OF CHICAGO

(SEAL)

By: _____
Lois A. Scott, Chief Financial Officer

ATTEST:

Susana A. Mendoza, City Clerk

JPMORGAN CHASE BANK, N.A., as Bondholder

By: _____
Name: _____
Its: _____

JPMORGAN CHASE BANK, N.A., as Fiscal Agent

By: _____ : _____
Name: _____
Its: _____

Acknowledged and agreed to:

**LOFTS 47 PHASE I LIMITED
PARTNERSHIP,**
an Illinois limited partnership

By: Lofts 47 Phase I, Inc., an Illinois corporation Its:
General Partner

By: _____
Name: _____
Title: _____

[Bond Issuance Agreement]

EXHIBIT A DEFINITIONS

"Adjusted LIBO Rate" means with respect to any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next one-sixteenth of one percent) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

"Adjusted One Month LIBO Rate" means an interest rate per annum equal to the sum of (i) 2.5% per annum plus (ii) the Adjusted LIBO Rate for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day); provided, that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page) at approximately 11:00 a.m. London time on such day (without any rounding).

"Alternate Rate" means a per annum rate equal to the Prime Rate plus 0.5 percent (0.5%); provided, that (i) the Alternate Rate shall never be less than the Adjusted One Month LIBO Rate plus 0.5 percent (0.5%), and (ii) the Alternate Rate shall never be greater than the Maximum Rate. Any change in the Alternate Rate due to a change in the Prime Rate or the Adjusted One Month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate or the Adjusted One Month LIBO Rate, respectively.

"Arbitrage Certificate" means the Arbitrage Certificate, dated as of the date of issuance of the Bond, between the Issuer and the Owner, as amended from time to time.

"Assignment" means that certain Assignment and Security Agreement, of even date herewith, from the Issuer to the Bondholder, as the same may be amended, modified or supplemented from time to time.

"Assignments of Contracts" means that certain Assignment of Plans, Specifications, Contracts, Agreements, Reports, Licenses and Permits dated as of _____ from the Owner to the Bondholder, as the same may be amended, modified or supplemented from time to time.

"Bond Counsel" means nationally recognized municipal bond counsel selected by the Issuer and reasonably acceptable to the Bondholder.

"Bond Issuance Agreement" means this Bond Issuance Agreement, among the Issuer, the Bondholder and the Fiscal Agent, as the same may be amended, modified or supplemented from time to time.

"Bondholder" means JPMorgan Chase Bank, N.A., a national banking association, and its successors and assigns as the registered owner of the Bond. There shall only be one Bondholder at a time hereunder, provided that the Bondholder may sell, subject to applicable law, participations in the Bond.

"Bondholder Loan Agreement" means that certain Construction and Permanent Loan Agreement dated as of _____ by and between Bondholder and Owner, as the same may be amended, modified or supplemented from time to time.

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"Bond Registrar" means JPMorgan Chase Bank, N.A., a national banking association, as registrar of the Bond pursuant to Section 2.13 of this Bond Issuance Agreement, and any successors thereto which shall, from time to time, be appointed by the Issuer.

"Bond" means the Issuer's \$_____ Multi-Family Housing Revenue Bond (Shops and Lofts at 47th Project), Series 2012, issued under the Ordinance and secured by this Bond Issuance Agreement and by the Assignment and the other Security for the Bond, substantially in the form of Exhibit B to this Bond Issuance Agreement, as the same may be amended, modified or supplemented from time to time.

"Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; and when used in connection with an advance of the principal amount of the Bond or any other provision hereof relating to the Interest Rate, the term "Business Day" shall also exclude any day on which banks are not open for dealings in U.S. dollar deposits in the London interbank market.

"Closing Date" means _____, 2012.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Account" has the meaning set forth in Section 4.02 of this Bond Issuance Agreement.

"Construction Fund" has the meaning set forth in Section 4.02 of this Bond Issuance Agreement.

"Costs of the Project" means any reasonable or necessary costs incidental to the acquisition, construction, and equipping of the Project which are in compliance with the provisions of the Project Certificate, and as set forth in the Development Cost Budget. Without limiting the generality of the foregoing, such costs, to the extent permitted, may include the items listed in subparagraphs (a) through (i) of Section 9.3 of the Loan Agreement.

"Default" means any event, act or condition which, with lapse of time or the giving of notice, or both, would constitute an Event of Default.

"Designated Office" means the corporate office of the Fiscal Agent set forth in Section 9.05 of this Bond Issuance Agreement, or such other address as may be specified in writing by the Fiscal Agent as provided herein.

"Determination of Taxability" means (a) the receipt by the Owner of a written notice from the Bondholder or any former registered owner of the Bond of the issuance of a statutory notice of deficiency by the Internal Revenue Service which holds, in effect, that the interest payable on the Bond is includable in the Federal gross income of the taxpayer named therein (other than a taxpayer who is a "substantial user" of the facilities financed with the proceeds of the Bond or a "related person" thereto within the meaning of Section 147 of the Code); (b) the receipt by the Owner of an opinion of Bond Counsel to the effect that the interest payable on the Bond is includable in the Federal gross income of the taxpayer named therein; (c) the filing by the Owner with the Bondholder or the Internal Revenue Service of any certificate, statement or other tax schedule, return or document which concludes or discloses that the interest payable on the Bond, or any installment thereof, is includable in the Federal gross income of the

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Bondholder or any former owner of the Bond (other than a taxpayer who is a "substantial user" of the facilities financed with the proceeds of the Bond or a "related person" thereto within the meaning of Section 147 of the Code); or (d) any amendment, modification, addition or change shall be made in Section 103 or any other provision of the Code or in any Regulation, or any ruling shall be issued or revoked by the Internal Revenue Service, or any other action shall be taken by the Internal Revenue Service, the Department of Treasury or any other governmental agency, authority or instrumentality, or any opinion of any Federal court or of the United States Tax Court shall be rendered, and the Bondholder or any former owner of the Bond shall have notified the Owner and the Issuer in writing that, as a result of any such event or condition, Bond Counsel is unable to give an unqualified opinion that the interest payable on the Bond on or after a date specified in said notice is excludable from the Federal gross income of the taxpayer named therein.

"Development Cost Budget" means the initial breakdown of the Costs of the Project prepared by the Owner and approved in writing by the Bondholder, of the total cost required to acquire, construct, and equip the Project. The analysis shall break down that total amount into the following three cost categories: (a) "land acquisition cost," (b) "hard construction costs," and (c) "soft costs." The categories of "hard costs" and "soft costs" shall be further broken down by detailed line items, each for a specific type of cost associated with the Project.

"Dollars" means United States Dollars.

"Eligible Investment" means, to the extent permitted by the applicable laws and regulations of the Issuer and the State of Illinois, Issuer investment policy and with the approval of the Bondholder, any one or more of the following: (1) Government Obligations; (2) interest-bearing accounts at JPMorgan Chase Bank, N.A.; (3) interest in money market mutual funds registered under the Investment Company Act of 1940, as amended; provided, that the governing instrument or order directs, requires, authorizes or permits investment in obligations described in (1) above and to repurchase agreements fully collateralized by such obligations; and (4) such other investments approved in writing by the Owner, the Issuer and the Bondholder.

"Environmental Indemnity Agreement" means the Environmental Indemnity Agreement dated as of _____ from the Owner and Guarantor in favor of the Bondholder, as amended from time to time.

"Event of Default" means an event so identified (a) with respect to the Loan Agreement, in Section 12.1 of the Loan Agreement, and (b) with respect to this Bond Issuance Agreement, in Section 7.01 of this Bond Issuance Agreement.

"Fiscal Agent" means JPMorgan Chase Bank, N.A., a national banking association, and its successors and any corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party, and any successor fiscal agent at the time serving as such under this Bond Issuance Agreement.

"GAAP" or "generally accepted accounting principles" means generally accepted accounting principles as defined by the Financial Accounting Standards Board.

"Government Obligations" means direct obligations of, and obligations fully guaranteed as to the timely payment of principal and interest by the full faith and credit of, the United States

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of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America.

"Governmental Body" means the United States of America, the State of Illinois and any political subdivision thereof, and any agency, department, commission, board, bureau or instrumentality of any of them which exercises jurisdiction over the Project, the use of improvements thereto or the availability of ingress or egress thereto or of gas, water, electricity, sewerage or other utility facilities therefor.

"Government Regulation" means any law, ordinance, order, rule or regulation of a Governmental Body.

"Guarantor" means The Community Builders, Inc., a Massachusetts charitable corporation doing business in Illinois as TCB Illinois NFP, Inc.

"Guaranty Agreement" means the Guaranty of Payment and Performance dated as of _____, 2012 from the Guarantor in favor of the Bondholder.

"Indebtedness" means, with respect to any Person, as of the date of determination thereof: (a) all of such Person's indebtedness for borrowed money; (b) all indebtedness of such Person or any other Person secured by any Lien with respect to any Property owned or held by such Person, regardless whether the indebtedness secured thereby shall have been assumed by such Person; (c) all indebtedness of other Persons which such Person has directly or indirectly guaranteed (whether by discount or otherwise), endorsed (otherwise than for collection or deposit in the ordinary course of operations), discounted with recourse to such Person or with respect to which such Person is otherwise directly or indirectly, absolutely or contingently, liable, including indebtedness in effect guaranteed by such Person through any agreement (contingent or otherwise) to (i) purchase, repurchase or otherwise acquire such Indebtedness or any security therefor, (ii) provide funds for the payment or discharge of such indebtedness or any other liability of the obligor of such indebtedness (whether in the form of loans, advances, stock purchases, capital contribution or otherwise), (iii) maintain the solvency of any balance sheet or other financial condition of the obligor of such indebtedness, or (iv) make payment for any products, materials or supplies or for any transportation or services regardless of the nondelivery or nonfurnishing thereof, if in any such case the purpose or intent of such agreement is to provide assurance that such indebtedness will be paid or discharged or that any agreements relating thereto will be complied with or that the holders of such indebtedness will be protected against loss in respect thereof; (d) all of such Person's capitalized lease obligations; (e) all actual or contingent reimbursement obligations with respect to letters of credit issued for such Person's account; and (f) all other items which, in accordance with GAAP, would be included as liabilities on the liability side of the balance sheet of such Person.

"Indemnified Persons" has the meaning given to such term in Section 13.1 of the Loan Agreement.

"Interest Payment Date" means each date for the payment of interest on the Bond as determined pursuant to Section 2.04 of this Bond Issuance Agreement.

"Interest Period" means with respect to any advance of the principal amount of the Bond, the period commencing on the date of such advance and ending on the numerically corresponding day in the calendar month which is one month thereafter, provided that (i) if any

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Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, and (iii) no Interest Period shall extend beyond the Maturity Date (as it may be extended). For purposes hereof, the date of an advance initially made shall be the date on which such advance is made and, thereafter shall be the effective date of the most recent continuation of such advance.

"Interest Rate" means, for each Interest Period, the sum of the applicable Adjusted LIBO Rate plus three percent (3.0%) per annum, but in no event a rate per annum greater than the Maximum Rate.

"Investor Letter" means a letter substantially in the form of Exhibit E hereto.

"Issuer" means the City of Chicago, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois, and any successor body to the duties or functions of said Issuer.

"Issuer Reserved Rights" means (1) rights under Sections 4.1, 7.4, 7.5, 12.4, 12.5, 12.6, 13.1, 14.6, 14.7 and 14.12 of the Loan Agreement, which rights may be enforced directly by the Issuer and, where appropriate, also by the Bondholder, (2) the Issuer's right to consent to amendments of the Loan Agreement and the Owner Note, and (3) the Issuer's right to receive additional notices as provided in the Loan Agreement, which rights may be enforced directly by the Issuer and, where appropriate, also by the Bondholder.

"Land Use Restriction Agreement" means, the Land Use Restriction Agreement, dated as of _____ 1, 2012, between the Issuer and the Owner, as the same may be amended, modified or supplemented from time to time.

"LIBO Rate" means with respect to any advance of the principal amount of (he Bond for any Interest Period, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page thereof, or any successor to or substitute for such page, providing rate quotations comparable to those currently provided on such page, as determined by the Bondholder from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at any time for any reason, then the "LIBO Rate" with respect to such advance for such Interest Period shall be the rate at which dollar deposits of \$5,000,000.00 and for maturity comparable to such Interest Period are offered by the principal London office of JPMorgan Chase Bank, N.A. in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period.

"Lien" means any mortgage, pledge, lien, hypothecation, security interest or other charge, encumbrance or preferential arrangement, including the retained security title of a conditional vendor or lessor.

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"Loan" shall mean the loan of the proceeds of the Bond to the Owner under the Loan Agreement

"Loan Agreement" means that certain Loan Agreement, of even date herewith, between the Issuer and the Owner, as the same may be amended, modified or supplemented from time to time.

"Maturity Date" means _____, 20__ , subject to extension to _____, 20__ pursuant to Section 2.02(f) hereof.

"Maximum Rate" means twelve percent (12%) per annum.

"Mortgage" has the meaning assigned to such term in the Loan Agreement.

"Ordinance" means the ordinance duly adopted by the City Council of the Issuer on [_____] , 2012, authorizing, among other things, the execution and delivery of this Bond Issuance Agreement, the Loan Agreement, and the Land Use Restriction Agreement and the issuance of the Bond.

"Outstanding" means any Bond which has not been finally and fully paid hereunder.

"Owner" means Lofts 47 Phase I Limited Partnership, an Illinois limited partnership, and its successors and assigns.

"Owner Collateral Documents" means, collectively, (a) the Mortgage, (b) the Pledge Agreement, (c) the Security Agreement, (d) the Assignment, (e) the Assignments of Contracts, (f) the Environmental Indemnity Agreement; (g) the Subordination Agreement(s), (h) the Guaranty, and (i) such other collateral security documents as the Bondholder may require.

"Owner Note" means the promissory note of the Owner, of even date herewith, payable to the order of the Issuer in the principal amount of \$ _____, substantially in the form of Exhibit A to the Loan Agreement, as the same may be amended, modified or supplemented from time to time.

"Past Due Rate" means a rate per annum equal to four percent (4.0%) plus the Interest Rate (or, if applicable, the Alternate Rate), but in no event greater than the Maximum Rate.

"Person" means an individual, partnership, joint venture, corporation, trust, limited liability company, unincorporated organization or foundation, and a governmental agency or political subdivision thereof.

"Premises" means the real estate located within the corporate boundaries of the City of Chicago, Illinois, which is described in Exhibit C hereto, and any additional real estate that from time to time may be acquired, including all buildings, structures and other improvements now and hereafter located thereon, which constitutes the site of the Project.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. The Prime Rate is a reference rate and is not necessarily the lowest rate. If JPMorgan Chase Bank, N.A. ceases to exist or to establish or publish a prime rate from which the Prime Rate is then

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determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported.

"Project" means the multi-family housing project to be developed on the Premises, consisting of five (5) buildings containing a total of approximately 96 residential dwelling units and related common facilities, located in the City in an area bounded by East 47th Street on the north, Cottage Grove Avenue on the east, East 48th Street on the south, and South Evans Avenue on the west.

"Project Certificate" means that certain Project Certificate of the Owner relating to the Project.

"Property" means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including, without limitation, all cash and pledge receivables.

"Qualified Transferee" means a "qualified institutional buyer" as defined in Rule 144A promulgated under the United States Securities Act of 1933, as amended, executing and delivering to the Issuer a Qualified Transferee Letter.

"Qualified Transferee Letter" means a letter substantially in the form of Exhibit D hereto.

"Regulations" mean any regulations promulgated or proposed by the Internal Revenue Service under Sections 103 and 141 through 150 of the Code, as amended.

"Revenues" means (a) all payments of principal and interest made on the Owner Note (other than those relating to the obligation of the Owner to rebate certain investment income to the United States Government pursuant to Section 148 of the Code), (b) all moneys held in any fund established under this Bond Issuance Agreement, including investment income earned thereon, (c) all moneys received by the Bondholder pursuant to the provisions of the Loan Agreement. Issuer and Owner acknowledge that some or all of the Owner Collateral Documents secure other obligations of the Owner to Bondholder in addition to the obligations of the Owner hereunder and under the Loan Agreement and Owner Note. In the event of an exercise of remedies by Bondholder under the Owner Collateral Documents, Bondholder may determine, in its sole discretion, which obligation or obligations of Owner to which to apply any proceeds of such collateral. To the extent such proceeds are applied to the obligations of the Owner hereunder or under the Loan Agreement or Owner Note, such proceeds shall be deemed Revenues hereunder.

"Security Agreement" means the Collateral Assignment and Pledge of Partnership Interest, dated as of _____, 2012, for the benefit of the Bondholder.

"Security for the Bond" means the property described in the granting clauses of this Bond Issuance Agreement.

"Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board of Governors of the Federal Reserve System to which the Bondholder is subject, with respect to the Adjusted LIBO

Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Advances of the principal amount of the Bond shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without the benefit of credit for proration, exemption or offsets that may be available from time to time under such Regulation D or any

comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subordination Agreement" means the Subordination Agreement(s), dated as of _____ , 2012, among the Owner, the Bondholder, and the holders of any mortgages securing any other indebtedness contemplated in the Loan Agreement or the Bondholder Loan Agreement.

"Tax Agreement" means the Tax Regulatory Agreement, dated as of the date of issuance of the Bond, between the Issuer and the Owner, as amended from time to time.

"Unmatured Event(s) of Default" means an event(s) that with notice or the passage of time, or both, could become an Event of Default.

"Written Request" means (a) with reference to the Issuer, a request in writing signed by any officer or official designated by the Issuer, and (b) with reference to the Owner or the Bondholder, a request in writing signed by the authorized representative of the Owner or the Bondholder, as applicable.

**MULTI-FAMILY HOUSING REVENUE BOND (SHOPS
AND LOFTS AT 47TH PROJECT), SERIES 2012**

PAYABLE BY THE ISSUER SOLELY AND ONLY FROM REVENUES REFERRED TO HEREIN, INCLUDING, WITHOUT LIMITATION, REVENUES AND RECEIPTS DERIVED FROM AND PURSUANT TO THE LOAN AGREEMENT, THE OWNER NOTE AND THE SECURITY DOCUMENTS REFERRED TO HEREIN.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE. ACCORDINGLY, THIS BOND MAY BE SOLD OR OTHERWISE TRANSFERRED ONLY IN TRANSACTIONS IN WHICH THIS BOND IS REGISTERED UNDER THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS, OR IN TRANSACTIONS IN WHICH THIS BOND IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THE ISSUER HAS NOT UNDERTAKEN ANY OBLIGATION TO CAUSE THIS BOND TO BE REGISTERED UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, OR TO COMPLY WITH ANY EXEMPTION THAT MAY BE AVAILABLE UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, INCLUDING, WITHOUT LIMITATION, RULE 144A UNDER THE SECURITIES ACT. THE REGISTERED OWNER OF THIS BOND AGREES THAT ANY TRANSFER OF THIS BOND WILL BE IN ACCORDANCE WITH THE PROVISIONS OF THE BOND ISSUANCE AGREEMENT.

No. R-1

Dated: _____, 2012 \$ _____

KNOW ALL MEN BY THESE PRESENTS, that the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), for value received, promises to pay (but only out of the source hereinafter described) to JPMORGAN CHASE Bank, N.a., a national banking association, or registered assigns (the "Bondholder"), the unrepaid portion of the principal amount specified above which has been advanced pursuant to the Bond Issuance Agreement (as described herein, the "Advanced Principal") on _____, 20 __, except to the extent that the provisions hereinafter set forth with respect to redemption prior to maturity or extension of maturity may become applicable hereto, and to pay (but only out of the sources hereinafter described) interest on the unpaid Advanced Principal balance hereof from the date or dates such principal was advanced as follows. Interest shall be computed on the unpaid Advanced Principal balance of this Bond at a floating rate as provided in the Bond Issuance Agreement payable on the [first / tenth] day of each month, at redemption and on the Maturity Date, commencing on the first day of the month following the date hereof.

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This Bond is the "Bond" described in, and is subject to the terms and provisions of the Bond Issuance Agreement (the "Bond Issuance Agreement"), dated as of _____ 1, 2012, among the Issuer, the Bondholder and JPMorgan Chase Bank, NA., as fiscal agent (the "Fiscal Agent"), and payment of this Bond is secured as described in the Bond Issuance Agreement. Capitalized terms not defined herein have the same meaning as given in the Bond Issuance Agreement. Reference is hereby made to the Bond Issuance Agreement for a statement of the prepayment rights and obligations of the undersigned, a description of the security therefor, and for a statement of the terms and conditions under which the due date of this Bond may be accelerated. Upon the occurrence of any Event of Default as specified in the Bond Issuance Agreement, the principal balance hereof and the interest accrued hereon may be declared to be forthwith due and payable.

This Bond is secured by the Security for the Bond as provided in the Bond Issuance Agreement. Notwithstanding anything herein or in the Bond Issuance Agreement to the contrary,

if the Issuer shall fail to make any of the payments required to be made by it under this Bond, such payments shall continue as a limited obligation of the Issuer until the amount in default shall have been fully paid and interest on this Bond shall continue to accrue at the rate specified in the Bond Issuance Agreement from the date such payment was due until the date such payment is made or the date this Bond has been repaid in full, whichever is earlier.

In any case where the date of payment of interest on or principal of this Bond or the date fixed for prepayment of all or a portion of this Bond shall not be a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day and this Bond shall continue to bear interest until such date.

All funds received by the Bondholder pursuant to any right given or action taken under this Bond, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Bondholder, shall be applied first to interest on the unpaid principal balance and the remainder to principal remaining due under this Bond. Notwithstanding any other provision of this Bond or the Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) so long as an Event of Default has not occurred and is not continuing, with respect to the payment then due under this Bond if due, or, if all such payments have been made may be applied as directed by the Owner (defined herein), and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

This Bond is issued for the purpose of funding a loan by the Issuer to Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Owner") pursuant to the Loan Agreement dated as of _____ 1, 2012 (the "Loan Agreement") between the Issuer and the Owner for the purpose of financing a portion of the costs of acquiring, constructing, and equipping the Project (as defined in the Bond Issuance Agreement). The terms and conditions of the acquisition, construction, and equipping of the Project, the loan of the proceeds of this Bond to the Owner for such purpose, the issuance of this Bond, and the terms upon which the Bond is issued and secured are contained in the Bond Issuance Agreement and the Loan Agreement.

This Bond shall only be transferable in whole to a Qualified Transferee delivering to the Issuer a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement.

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It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution, delivery of and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this Bond, together with all other obligations of the Issuer, does not exceed or violate any constitutional or statutory limitation.

This Bond is issued pursuant to an Ordinance adopted by the City Council of the Issuer on _____, 2012. The Bond shall not be a debt of any city, village, incorporated town, county, the State of Illinois or any political subdivision thereof and neither the city, village, incorporated town or the county, nor the State of Illinois or any political subdivision thereof shall be liable thereon, nor in any event shall the Bond be payable out of any funds or properties other than those of the Issuer pledged under the Bond Issuance Agreement and any other agreements specifically securing this Bond. The Bond shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Bond has been issued by the Issuer to aid in financing a housing project to provide dwelling accommodations for persons of low and moderate income.

As provided in the Bond Issuance Agreement, this Bond is subject to prepayment, in whole or in part, and with or without premium, as specified and subject to the limitations set forth in the Bond Issuance Agreement. The Issuer agrees to make required prepayments on account of this Bond in accordance with the provisions of the Bond Issuance Agreement.

This Bond and the rights and obligations of the parties hereunder shall be construed in accordance with and be governed by the laws of the State of Illinois, without regard to its conflict of laws principles.

The Bondholder shall note on the payment record attached as Schedule A hereto, or in the Bondholder's books and records, the date and amount of each payment of principal (whether at maturity or upon acceleration or prior redemption) and of interest paid, and of any principal and interest theretofore paid and not yet noted thereon or therein. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof absent manifest error. The failure to so record any such information or any error in so recording any such information shall not, however, limit or otherwise affect the obligations of the Issuer hereunder to repay the principal amount hereunder together with all interest accruing hereon.

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IN WITNESS WHEREOF, the City of Chicago has caused this Bond to be executed in its name by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, all as of the date of delivery of this Bond.

CITY OF CHICAGO

(SEAL) By: _____
Mayor

ATTEST:

City Clerk

(Form of Fiscal Agent's Certificate of Authentication) CERTIFICATE OF

AUTHENTICATION This Bond is the "Bond" described in the within mentioned Bond Issuance Agreement.

JPMORGAN CHASE BANK, N.A., as Fiscal Agent

By: _____

Authorized Secretary

Date of Authentication: ____ _____, 2012

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SCHEDULE A

Payment Date

Principal Payment

Interest Payment

(End of Bond Form)

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EXHIBIT C

LEGAL

DESCRIPTION

[TO COME]

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EXHIBIT D

FORM OF QUALIFIED TRANSFEREE LETTER

[Letterhead of Investor]

[Date]

City of Chicago Department of
Finance 33 N. LaSalle Street,
6th Floor Chicago, Illinois 60602
Attention: Jeremy Fine

Re: \$ _____
City of Chicago Multi-Family Housing Revenue
Bond (Shops and Lofts at 47th Project), Series
2012

Ladies and Gentlemen:

The undersigned (the "Investor") hereby represents and warrants to you as follows:

1. The Investor proposes to purchase the above-referenced Bond (the "Bond") issued pursuant to that certain Bond Issuance Agreement, dated as of _____ 1, 2012 (the "Bond Issuance Agreement"), among the City of Chicago (the "Issuer"), JPMorgan Chase Bank, N.A., as Bondholder, and JPMorgan Chase Bank, N.A., as Fiscal Agent. The Investor understands that the Bond has not been registered under the Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state, and will be sold to the Investor as a whole in

reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

2. The Investor has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bond in particular, and is capable of evaluating the merits and risks involved in an investment in the Bond. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bond.

3. The Investor is purchasing the Bond solely for its own account for investment purposes and has no intention to resell or distribute the Bond; provided that the Investor reserves the right to transfer or dispose of the Bond, as a whole, at any time, and from time to time, in its complete and sole discretion, subject, however, to the restrictions described in paragraphs 4, 5 and 6 of this letter.

4. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bond (or any legal or beneficial interest therein) (i) in accordance with an available exemption from the registration requirements of Section 5 of the 1933 Act, (ii) in accordance with any applicable state securities laws, and (iii) in accordance with the provisions of the Bond and the Bond Issuance Agreement.

5. The Investor is a "qualified institutional buyer" as defined in Rule 144A promulgated under the 1933 Act ("Rule 144A"); it is aware that the sale of the Bond to it is made

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in reliance on Rule 144A, and understands that the Bond may be offered, resold, pledged or transferred only (1)(i) to a person who is a "qualified institutional buyer," as defined in Rule 144A, in compliance with Rule 144A, or (ii) pursuant to another exemption from registration under the 1933 Act; and (2) as a whole in compliance with the Bond, the Bond Issuance Agreement and applicable state securities laws.

6. If the Investor sells the Bond (or any legal or beneficial interest therein), the Investor or its agent will obtain for your benefit, and deliver to you, from any subsequent purchaser a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement or such other materials (including, but not limited to, an opinion of counsel) as are required by you to evidence compliance of such sale and purchase with the requirements of the 1933 Act effecting an exemption from registration. The Investor hereby agrees to indemnify the Issuer against any failure by the Investor to transfer the Bond in accordance with the restrictions relating thereto set forth in the Bond Issuance Agreement and the Bond.

Very truly yours,

[Name of Investor]

Dated:

By: _
Name:
Title:

EXHIBIT E
FORM OF INVESTOR LETTER

___, 2012

City of Chicago Department of
Finance 33 N. LaSalle Street,
6th Floor Chicago, Illinois 60602
Attention: Jeremy Fine

Re: \$ _____
City of Chicago Multi-Family Housing Revenue
Bond (Shops and Lofts at 47th Project), Series
2012

Ladies and Gentlemen:

The undersigned (the "Investor") hereby represents and warrants to you as follows:

1. The Investor proposes to purchase the above-referenced Bond (the "Bond") issued pursuant to that certain Bond Issuance Agreement, dated as of _____ 1, 2012 (the "Bond Issuance Agreement"), among the City of Chicago (the "Issuer"), JPMorgan Chase Bank, N.A., as Bondholder, and JPMorgan Chase Bank, NA., as Fiscal Agent. The Investor understands that the Bond has not been registered under the Securities Act of 1933, as amended (the "1933 Act"), or the securities laws of any state, and will be sold to the Investor as a whole in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein.

2. The Investor has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bond in particular, and is capable of evaluating the merits and risks involved in an investment in the Bond. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bond. In the normal course of the Investor's business, the Investor invests in and purchases securities (including restricted securities) similar in investment character to the Bond.

3. The Investor is purchasing the Bond solely for its own account for investment purposes and has no intention to resell or distribute the Bond; provided that the Investor reserves the right to transfer or dispose of the Bond as a whole at any time, and from time to time, in its complete and sole discretion, subject, however, to the restrictions described in paragraphs 4, 5 and 7 of this letter.

4. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bond (or any legal or beneficial interest therein) (i) in accordance with an available exemption from the registration requirements of Section 5 of the 1933 Act, (ii) in accordance with any applicable state securities laws, and (iii) in accordance with the provisions of the Bond and the Bond Issuance Agreement.

5. The Investor understands that the Bond may be offered, resold, pledged or transferred only (1)(i) to a person who is a "qualified institutional buyer," as defined in Rule 144A

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(promulgated under the 1933 Act), in compliance with Rule 144A, or (ii) pursuant to another exemption from registration under the 1933 Act; and (2) as a whole in compliance with the Bond, the Bond Issuance Agreement and applicable state securities laws.

6. The Investor acknowledges that it has had access to such financial and other information, and has been afforded the opportunity to ask such questions of representatives of the Issuer and the Owner (as defined in the Bond Issuance Agreement), and receive answers thereto, as the Investor deems necessary in order to evaluate the merits and risks involved in an investment in the Bond.

7. If the Investor sells the Bond (or any legal or beneficial interest therein), the Investor or its agent will obtain for your benefit, and deliver to you, from any subsequent purchaser a Qualified Transferee Letter in the form of Exhibit D to the Bond Issuance Agreement, or such other materials (including, but not limited to, an opinion of counsel) as are required by you to evidence the compliance of such sale and purchase with the requirements of the 1933 Act effecting an exemption from registration. The Investor hereby agrees to indemnify the Issuer against any failure by the Investor to transfer the Bond in accordance with the restrictions relating thereto set forth in the Bond Issuance Agreement and the Bond.

Very truly yours,

JPMORGAN CHASE BANK, N.A.

By:_____
Name:
Title:

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EXHIBIT J Form of Loan

Agreement

(See Attached)

LOAN AGREEMENT

between

CITY OF CHICAGO

and

**LOFTS 47 PHASE I LIMITED PARTNERSHIP,
an Illinois limited partnership**

**Dated as 1,2012
of**

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This LOAN AGREEMENT, dated as of _____ 1, 2012 (this "Loan Agreement"), between the CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "Issuer"), located in Cook and DuPage Counties, Illinois, and LOFTS 47 PHASE I LIMITED PARTNERSHIP, an Illinois limited partnership (the "Owner").

WITNESSETH:

WHEREAS, as a home rule unit of local government and pursuant to the Constitution of the State of Illinois, the Issuer is authorized to issue its revenue notes and bonds in order to aid in providing an adequate supply of residential housing for low- and moderate-income persons or families within the City of Chicago, which constitutes a valid public purpose for the issuance of revenue notes and bonds by the Issuer; and

WHEREAS, the Issuer has determined to issue, sell and deliver its \$ _____ Multi-Family Housing Revenue Bond (Shops and Lofts at 47th Project), Series 2012 (the "Bond") pursuant to a Bond Issuance Agreement dated as of _____ 1, 2012 (the "Bond Issuance Agreement") among the Issuer, JPMorgan Chase Bank, N.A., as Bondholder and JPMorgan Chase Bank, N.A., as Fiscal Agent, and to lend the proceeds thereof to the Owner for the purpose of financing a portion of the cost of acquiring, constructing, and equipping the Project (as defined in the Bond Issuance Agreement); and

WHEREAS, the Issuer and the Owner have entered into this Loan Agreement providing for the loan of the proceeds of the Bond to the Owner for the purposes described in the preceding paragraph; and

WHEREAS, this Loan Agreement provides for the issuance by the Owner of the Owner Note (as hereinafter defined); and

WHEREAS, the Issuer will pledge and assign the Owner Note and this Loan Agreement to the Bondholder under the Assignment (as defined in the Bond Issuance Agreement); and

WHEREAS, security for the repayment of the Owner Note is provided by certain Owner Collateral Documents (as defined in the Bond Issuance Agreement);

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration (the receipt, sufficiency and adequacy of which are hereby acknowledged), the parties hereto agree as follows, provided that in the performance of the agreements of the Issuer herein contained, any obligation it may thereby incur for the payment of money shall not constitute an indebtedness or give rise to a pecuniary liability of the Issuer, the State of Illinois or any political subdivision thereof, or a charge against the Issuer's general credit or the taxing powers of the State of Illinois or any political subdivision thereof, but shall be payable solely and only from the Revenues (as defined in the Bond Issuance Agreement):

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ARTICLE I

DEFINITIONS, INTERPRETATION AND EXHIBITS

Section 1.1 Definitions. Capitalized terms used in this Loan Agreement without definition shall have the respective meanings given to such terms in Exhibit A attached to the Bond

Issuance Agreement unless the context or use clearly indicates another or different meaning or intent.

"Additional Funding Sources" means (a) [the Affordable Housing Loan], (b) the Initial Equity, (c) the CHA Loan, (d) the NSP2 Loan, and (e) the DTC Loan.

["Affordable Housing Loan" means the affordable housing loan in the approximate amount of \$550,000 to the Owner from the Issuer, derived from moneys available under one or more funding sources, which sources may include funds available under the HOME Investment Partnership Program authorized under the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. Section 12701 et seq.), certain available "corporate funds" of the Issuer, and other available moneys.]

"Bondholder" means JPMorgan Chase Bank, N.A., a national banking association, and its successors and assigns as the registered owner of the Bond.

"Bondholder Loan Agreement" means that certain Construction and Permanent Loan Agreement dated as of _____ by and between Bondholder and Owner, as the same. may be amended, modified or supplemented from time to time.

"Buildings" means the buildings in which the Project is located.

"CHA" means The Chicago Housing Authority, a municipal corporation organized and existing under the laws of the State of Illinois.

"CHA Loan" means the loan from CHA to Owner in the stated principal amount of [\$8,374,410.00].

"Change in Law" means (i) the adoption of any law, rule or regulation, (ii) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority (as defined in the Owner Note) after the date of this Loan Agreement, or (iii) compliance by the Bondholder (or any applicable lending office of the Bondholder) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Loan Agreement; provided, however, that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith shall be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued, and (y) all requests, rules, guidelines or directives promulgated by' the Bank for International Settlements, Basel Community on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed a "Change in Law" regardless of the date enacted, adopted, issued or implemented.

"Complete" or "Completed" has the meaning assigned to such term in Section 7.11.

"Construction Escrow" means the escrow established pursuant to the Construction Escrow Agreement.

"Construction Escrow Agreement" means, that certain Construction Loan Escrow and Disbursement Agreement by and among Owner, Issuer, CHA, Bondholder, Developer and the title company, as escrow agent and acknowledged and consented to by the General Contractor.

"Developer" means TCB Development Services LLC, an Illinois limited liability company.

"Donation Tax Credits" means the tax credits available with respect to the Project pursuant to 20 ILCS 3805/7.28.

"DTC Loan" means the loan from the Developer to Owner in the stated principal amount of [\$662,881.00], funded by the proceeds of the sale of the Donation Tax Credits.

"Environmental Indemnity Agreement" means the Environmental Indemnity Agreement dated as of _____ from the Owner in favor of the Bondholder, as the same may be amended and supplemented from time to time.

"General Contractor" means McShane Construction Company LLC, a Delaware limited liability company.

"General Partner" means Lofts 47 Phase I, Inc., an Illinois corporation, the general partner of the Owner (holding an approximately 0.01 percent equity interest in the Owner), together with its permitted successors and assigns.

"Guarantor" means TCB.

"Initial Equity" means the sum of not less than [\$836,653.00] of the Owner's cash equity required to be deposited in the Construction Escrow on or before the date of issuance of the Bond.

"Insurance Requirements" means those requirements with respect to the maintenance of insurance with respect to the Project and the Owner's obligations hereunder, under the Bondholder Loan Agreement and under the other Owner Documents.

"Investor Limited Partner" means Hudson Shops and Lofts LLC, a Delaware limited liability company and limited partner of the Owner (holding an approximately 99.98 percent equity interest in the Owner), together with its permitted successors and assigns.

"Issuer Documents" means, collectively, the Bond Issuance Agreement, this Loan Agreement, the Land Use Restriction Agreement, the Tax Agreement and the Assignment.

"Issuer Environmental Indemnification Agreement" means the Environmental Indemnification Agreement, dated _____, 2012, by and between the Issuer and the Owner.

"Liabilities" means any and all of the Owner's obligations, liabilities and indebtedness to the Issuer or the Bondholder, now or hereafter existing or arising, or due or to become due, under or by reason of this Loan Agreement, the Owner Note, the Bond Issuance Agreement, the Bond, the Security for the Bond, the Owner Collateral Documents or any other document,

instrument or agreement executed in connection therewith, by operation of law or otherwise, and any refinancings, substitutions, extensions, renewals, replacements and modifications for or of any or all of the foregoing, including all principal of and interest accrued on the Bond and the Owner Note, all fees, charges, expenses, disbursements, costs and indemnities of the Owner thereunder.

"Loan" means the loan to the Owner of the proceeds of the Bond pursuant to this Loan Agreement.

"Low Income Housing Tax Credits" means the tax credits described in Section 42 of the Code with respect to the Project.

"Maturity Date" means _____ or, if extended pursuant to Section 2.02(f) of the Bond Issuance Agreement, _____ .

"Mortgage" means the Construction Mortgage , Security Agreement, Assignment of Leases and Rents and Fixture Filing, dated as of _____ , 2012, from the Owner to the Bondholder, securing the Loan and the Other Loans.

"NSP2 Loan" means the loan from TCB to Owner, funded by NSP2 program funds, in the stated principal amount of [\$2,300,000.00].

"Other Loans" means the Permanent Loan, TIF Loan A and TIF Loan B, each as defined in the Bondholder Loan Agreement.

"Owner Documents" means, collectively, the Bond Issuance Agreement, this Loan Agreement, the Land Use Restriction Agreement, the Tax Agreement, the Owner Note and the Owner Collateral Documents (as defined in the Bond Issuance Agreement).

"Owner Note" means the promissory note of the Owner evidencing the obligation of the Owner to pay the Loan in substantially the form attached hereto as Exhibit A.

"Partnership Agreement" means the partnership agreement or similar governing document of the specified partnership and, if no partnership is specified, refers to the Amended and Restated Agreement of Limited Partnership dated _____ , 2012 of the Owner.

"Permitted Transfers" means (1)the transfer by the Limited Partner of partnership interests in the Borrower to any other entity which is an affiliate of the Limited Partner or which is controlled by Hudson Housing Capital LLC; (2) the pledge and encumbrance of the interests of the Limited Partner to or for the benefit of any financial institution which enables the Limited Partner to make its capital contributions to the Borrower; (3) the removal of any general partner of Borrower by the Limited Partner pursuant to the terms of the Partnership Agreement and the replacement of such general partner with an affiliate of the Limited Partner; and (4) issuance of partnership interests in the Borrower equal to 99.99% of the profits, losses, credits, distributions and other interests in the Borrower to the limited partners of the Borrower.

"Plans and Specifications" means the plans and specifications for the Project dated _____ , 2012 and approved by the Issuer in conjunction with the issuance of the general building permit for the Project.

"Project Certificate" means the Project Certificate dated the Closing Date of the Owner, as supplemented and amended.

"Security" means the "Security for the Bond" described in the Bond Issuance Agreement and mortgaged, assigned and pledged as security for the obligations evidenced by the Bond.

"Special Limited Partner" means Hudson SLP LLC, a Delaware limited liability company and limited partner of the Owner (holding an approximately 0.01 percent equity interest in the Owner), together with its permitted successors and assigns.

"TCB" means The Community Builders, Inc., a Massachusetts charitable corporation doing business in Illinois as TCB Illinois NFP, Inc.

Section 1.2 Interpretation. In this Loan Agreement, except as otherwise expressly provided or unless the context clearly otherwise requires:

(a) the words "hereby," "hereof," "herein," "hereunder" and any similar words used in this Loan Agreement refer to this Loan Agreement as a whole and not to any particular Article, Section or other subdivision, and the word "heretofore" shall mean before, and the word "hereafter" shall mean after, the date of this Loan Agreement, and the word "including" shall mean including, without limitation;

(b) all accounting terms not otherwise defined herein shall have the meanings assigned to them in accordance with GAAP;

(c) any headings preceding the text of the several Articles and Sections of this Loan Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall neither constitute a part of this Loan Agreement nor affect its meaning, construction or effect; and

(d) any certificates, letters or opinions required to be given pursuant to this Loan Agreement shall mean a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth or setting forth matters to be determined pursuant to this Loan Agreement.

ARTICLE II

LOAN TO OWNER; REPAYMENT PROVISIONS

Section 2.1 Loan to Owner. The Issuer covenants and agrees to finance a portion of the Costs of the Project through the issuance of the Bond pursuant to the Bond Issuance Agreement and the loan of the proceeds of the Bond to the Owner, such Loan to be advanced from time to time by making deposits into the Construction Fund and, subject to satisfaction of the conditions set forth in Articles X and XI hereof, disbursed and applied as provided in Article IX hereof.

Section 2.2 Repayment of Loan and Payment of Other Amounts.

(a) Owner Note. In order to evidence its obligation to repay the Loan made hereunder by the Issuer, the Owner shall authorize, execute and deliver the Owner Note, which Owner Note shall be in substantially the form attached hereto as Exhibit A. The

terms and conditions of the Owner Note are hereby incorporated into this Section with the same effect as if fully set forth herein. The Owner agrees to pay all of its obligations in full under this Loan Agreement and the Owner Note.

(b) Mandatory Payments under the Bond. It is the intent of the Owner and the Issuer that, notwithstanding any schedule of payments contained in the Owner Note, the payments to be made by the Owner on the Owner Note shall at all times be sufficient to enable the Issuer to pay when due the principal of and interest on the Bond; provided, however, that if for any reason the funds available to the Issuer are at any time insufficient or unavailable to make any payment of the principal of or interest on the Bond when due (whether at maturity or upon redemption or acceleration), the Owner shall forthwith pay directly to the Bondholder, in immediately available funds, the amount required to make up such deficiency, or shall take such other action as may be necessary to make sufficient funds available to make such payment. All such payments made to the Bondholder with respect to the Bond shall be made by the Owner on behalf of the Issuer, shall be deemed a credit against the Liabilities, and shall be applied against the Issuer's payment obligations under the Bond.

(c) Payments to Fiscal Agent. The Owner shall pay to the Fiscal Agent, until the principal of and interest on the Owner Note shall have been fully paid, the reasonable

fees, charges and expenses (if any) of the Fiscal Agent, as fiscal agent and Bond Registrar, as and when the same become due. The Owner further agrees to indemnify the Fiscal Agent for, and to defend and hold the Fiscal Agent harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with its powers or duties hereunder and under the Bond Issuance Agreement, including, but not limited to, the cost and expenses of defending itself against any claim or liability in connection with the exercise of any of such powers or performance of any such duties.

Section 2.3 Payment.

(a) Payments under the Owner Note. The Owner will promptly and punctually pay all amounts payable with respect to the Owner Note, without any presentment of the Owner Note, notice of nonpayment, notice of dishonor or notice of protest, and without any notation of such payment being made thereon, directly to the Bondholder in immediately available funds by: (i) wire transfer originated by the Owner not later than 12:00 noon, Chicago, Illinois time, on the payment date, pursuant to the wire instructions attached hereto as Exhibit D, or (ii) by disbursement of proceeds of the Bond from the Construction Fund in accordance with Section 9.5(b) of this Loan Agreement, or (iii) by charging an account of the Owner established with the Bondholder, which charge is hereby authorized by the Owner. The Owner Note shall be assigned by Issuer to Bondholder as set forth in Section 4.2 hereof.

(b) Payments Due on Days other than Business Days. In any case where the date of maturity of principal of or interest on the Owner Note or the Bond, or the date fixed for prepayment of all or a portion of the Owner Note or the Bond, as applicable, shall be other than a Business Day, then such payment need not be made on such date but may be made on the next succeeding Business Day, and the Owner Note and the Bond shall continue to bear interest until such date of actual payment.

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(c) Payment Notations. The Bondholder shall make a notation in the Bondholder's books and records of each principal and interest payment made pursuant to this Section 2.3 and the date to which interest has been paid. The information so recorded shall be rebuttable presumptive evidence of the accuracy thereof. The failure to so record any such information, or any error in so recording any such information, shall not, however, limit or otherwise affect or increase the obligations of the Owner hereunder or under the Owner Note to repay the principal balance thereof together with all interest accruing thereon.

(d) Manner of Payment. The principal of and interest on the Owner Note shall be payable in lawful money of the United States of America; such principal and interest shall be payable at the office of the Bondholder designated in the Owner Note.

(e) Return of Collateral. Upon payment in full of the Owner Note and termination of this Loan Agreement, the Issuer and the Fiscal Agent shall, on a timely basis, reassign and redeliver (or cause to be reassigned and redelivered) to the Owner, or to such Person or Persons as the Owner shall designate, against receipt, such of the collateral (if any) assigned by the Owner to the Issuer as shall not have been sold or otherwise applied by the Issuer or the Fiscal Agent pursuant to the terms hereof and as shall still be held by the Issuer or the Fiscal Agent hereunder, together with appropriate instruments of reassignment and release, including, without limitation, UCC termination statements; it shall be the obligation of the Owner to provide all such instruments of reassignment and release for Issuer's approval or execution. Any such reassignment shall

be without recourse upon, or representation or warranty by, the Issuer, and shall be at the cost and expense of the Owner. If a claim is made upon the Issuer (or any assignee of the Issuer, including, but not limited to, the Bondholder) at any time for recovery of any amount received by the Issuer (or such assignee) in payment of the Owner Note, whether received from the Owner or otherwise (a "Recovery Claim"), and should the Issuer (or such assignee) repay all or part of said amount by reason of: (i) any judgment, decree or order of any court or administrative body having jurisdiction over the Issuer or any assignee of the Issuer, or the Property of either thereof; or (ii) any settlement or compromise of any such Recovery Claim effected by the affected party with the claimant (including the Owner), this Loan Agreement, the Owner Collateral Documents and the Security for the Bond shall continue in effect with respect to the amount so repaid to the same extent as if such amount had never originally been received by the Issuer or such assignee, notwithstanding any prior termination of this Loan Agreement, the return of this Loan Agreement, the Owner Collateral Documents or any of the Security for the Bond to the Owner (or any designee of the Owner), or the cancellation of the Owner Note. Notwithstanding anything in this Section 2.3(e), any collateral that is also collateral for the indebtedness evidenced by the Permanent Note, TIF Note A or TIF Note B (each as defined in the Bondholder Loan Agreement) shall not be released by Bondholder prior the date that each applicable note has been paid in full and the Bondholder Loan Agreement has been terminated.

Section 2.4 Interest Rates. The interest rate per annum payable on an Owner Note shall be equal to the interest rate payable time to time on the Bond as provided in Article II of the Bond Issuance Agreement. Interest on the Owner Note shall be payable at such times as interest is payable on the Bond under the provisions of the Bond Issuance Agreement.

Section 2.5 Interest on Amounts Past Due. Notwithstanding anything in this Article II to the contrary, if the Owner shall fail to make any of the payments required to be made by it

under this Loan Agreement or under the Owner Note, including, without limitation, any mandatory prepayments required by Section 3.1(b) of this Loan Agreement, such payments shall continue as an obligation of the Owner until the unpaid amount so overdue shall have been fully paid, and interest on such Owner Note shall continue to accrue from the date such payment was due until the date such payment is made or the date such Owner Note has been repaid in full, whichever is earlier, at the Past Due Rate as defined in the Bond Issuance Agreement.

Section 2.6 Application of Payments. All payments on account of indebtedness outstanding under an Owner Note shall be applied as set forth in the Owner Note.

Section 2.7 Event of Default under the Bond Issuance Agreement. Upon a declaration of acceleration by the Bondholder under Section 7.02 of the Bond Issuance Agreement, an amount equal to the principal of the Owner Note, together with accrued interest due thereon, shall become immediately due and payable hereunder, and thereafter, to the extent not previously issued, the Issuer shall be under no obligation to make any additional disbursement of the Loan.

Section 2.8 No Defense or Set-off; Unconditional Obligation.

(a) The obligation of the Owner to make the payments required to be made by it herein, the obligation of the Owner to make the payments pursuant to the Owner Note, and the obligation of the Owner to perform and observe fully all other agreements, obligations and covenants on its part contained herein shall be absolute and unconditional, irrespective of any defense or any rights of set-off, recoupment, abatement or counterclaim it might otherwise have against the Issuer, the Fiscal Agent or the Bondholder.

(b) The Owner covenants and agrees with and for the express benefit of the Issuer and the Bondholder that all payments pursuant hereto and the Owner Note shall be made by the Owner on or before the dates the same become due, and the Owner shall perform all of its other obligations, covenants and agreements hereunder, without notice or demand (except as provided herein), and without abatement, deduction, reduction, diminishment, waiver, abrogation, set-off, counterclaim, recoupment, defense or other modification, or any right of termination or cancellation arising from any circumstance whatsoever, whether now existing or hereafter arising, and regardless of any act of God, contingency, event or cause whatsoever, and irrespective (without limitation) of whether any portion of the Project shall have been started or completed, or whether the title to any portion of the Premises or the Project is defective or nonexistent, or whether the revenues of the Owner are sufficient to make such payments, and notwithstanding any damage to, or loss, theft or destruction of, the Premises or the Project, or any part thereof, expiration of this Loan Agreement, any failure of consideration or frustration of purpose, the taking by eminent domain or otherwise of title to or of the right of temporary use of, all or any part of Premises or the Project, legal curtailment of the use thereof, any assignment, novation, merger, consolidation, transfer of assets, leasing or other similar transaction of or affecting the Owner, the Premises or the Project, whether with or without the approval of the Issuer, any change in the tax or other laws of the United States of America, the State of Illinois or any political subdivision of either thereof, any change in the Issuer's legal organization or status, or any default of the Issuer hereunder, and regardless of the invalidity of any portion of this Loan Agreement or the Bond Issuance Agreement, or any other document or instrument

referred to herein or therein; and, to the extent legally permissible, the Owner hereby waives the provisions of any statute or other law now or hereafter in effect impairing or conflicting with any of its obligations, covenants or agreements under this Loan Agreement or the Owner Note, or which releases or purports to release the Owner herefrom or therefrom. Nothing in this Loan Agreement shall be construed as a waiver by the Owner of any rights or claims the Owner may have against the Issuer under this Loan Agreement or otherwise, but any recovery upon such rights and claims shall be had from the Issuer separately, it being the intent of this Loan Agreement that the Owner shall be unconditionally and absolutely obligated, without right of set-off or abatement, to perform fully all of its obligations, agreements and covenants under this Loan Agreement and the Owner Note for the benefit of the Issuer and the Bondholder.

ARTICLE III

PREPAYMENT OF THE OWNER NOTE; CHANGES IN CIRCUMSTANCE

Section 3.1 Prepayment of the Owner Note.

(a) Upon notice as provided in the Owner Note, the Owner may prepay, in whole or in part, without premium or penalty but subject to payment of any Break Funding Payment, on any Business Day, the principal amount of the Owner Note then outstanding (such optional prepayments to be applied to the redemption of the Bond as provided in Section 3.01 of the Bond Issuance Agreement).

(b) The Owner Note is subject to mandatory prepayment, without premium or penalty but subject to payment of any Break Funding Payment, prior to the Maturity Date as follows:

(i) to the extent of any excess amounts in the Construction Account of the Construction Fund after the Completion of the Project, which shall be applied to the prepayment of the Owner Note;

(ii) to the extent the Owner Collateral Documents provide that the proceeds of any insurance or condemnation payment received with respect to the Project be applied to the prepayment of the Owner Note and the Bond;

(iii) in part, in the amount of [\$4,450,000.00], upon receipt by Owner of the Second Scheduled Equity Contribution (as defined in the Bondholder Loan Agreement);

(iv) in whole, upon the funding of the Other Loans; and

(v) in whole, upon the occurrence of a Determination of Taxability with respect to the Bond.

(c) In the event of any prepayment hereunder, the Owner shall pay to the Bondholder all accrued and unpaid interest through the date of such prepayment on the principal balance of the Owner Note being prepaid.

Section 3.2 Surrender of Owner Note on Full Prepayment. If the entire unpaid principal balance of an Owner Note is prepaid, the Owner Note shall be cancelled by the Bondholder and surrendered to the Owner.

Section 3.3 Increased Costs.

(a) From and after the assignment of the Owner Note to the Bondholder, if any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Bondholder (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on the Bondholder or the London interbank market any other condition affecting the Owner Note or borrowings made by the Bondholder using the LIBO Rate;

and the result of any of the foregoing shall be to increase the cost to the Bondholder of making or maintaining any LIBO Rate borrowing (or of maintaining its obligation to make any such borrowing) or to increase the cost or to reduce the amount of any sum received or receivable by the Bondholder (whether of principal, interest or otherwise), then the Owner will pay to the Bondholder such additional amount or amounts as will compensate the Bondholder for such additional costs incurred or reduction suffered.

(b) If the Bondholder determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on the Bondholder's capital or on the capital of the Bondholder's holding company, if any, as a consequence of this Note or the Loan made by the Bondholder to a level below that which the Bondholder or the Bondholder's holding company could have achieved but for such Change in Law (taking into consideration the Bondholder's policies with respect to capital adequacy), then from time to time the Owner will pay to the Bondholder, such additional amount or amounts as will compensate the Bondholder or the Bondholder's holding company for any such reduction suffered.

(c) A certificate of the Bondholder setting forth the amount or amounts necessary to compensate the Bondholder or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Owner and shall be conclusive absent manifest error. The Owner shall pay the Bondholder, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of the Bondholder to demand compensation pursuant to this Section shall not constitute a waiver of the Bondholder's right to demand such compensation; provided that the Owner shall not be required to compensate the Bondholder pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that the Bondholder notifies the Owner of the Change in Law giving rise to such increased costs or reductions and of the Bondholder's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

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Section 3.4 Break Funding Payments. From and after the assignment of the Owner Note to the Bondholder, during such time as the Interest Rate (or the Past Due Rate utilizing the Interest Rate as its base) shall be the governing interest rate under the Owner Note and the Bond, in the event of (a) the payment of any principal other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) a conversion to the Alternate Rate other than on the last day of the Interest Period applicable to the amount so converted, or (c) the failure to borrow, continue or prepay any advance of the proceeds of the Loan on the date specified in any notice delivered pursuant hereto or pursuant to the Bondholder Loan Agreement, then, in any such event, the Owner shall compensate the Bondholder for the loss, cost and expense attributable to such event. Such loss, cost or expense to the Bondholder shall be deemed to include an amount determined by the Bondholder to be the excess, if any, of (i) the amount of interest which would have accrued on the applicable principal amount had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such amount, for the period from the date of such event to the last day of the then current Interest Period for such amount (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such amount), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which the Bondholder would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of the Bondholder setting forth any amount or amounts that the Bondholder is entitled to receive pursuant to this Section shall be delivered to the Owner and shall be conclusive absent manifest error. The Owner shall pay the Bondholder the amount shown as due on any such certificate (any such amount due, a "Break Funding Payment") within ten (10) days after receipt thereof.

Section 3.5 Late Fee. If any payment required under the Owner Note is not paid within ten (10) days after such payment is due, then, at the option of the holder thereof, the Owner shall pay a late charge equal to five percent (5.0%) of the amount of such payment to compensate the holder for administrative expenses and other costs of delinquent payments. This late charge may be assessed without notice, shall be immediately due and payable and shall be in addition to all other rights and remedies available to the holder.

ARTICLE IV

LIMITED OBLIGATION; ASSIGNMENT BY ISSUER

Section 4.1 Limited Obligation of Issuer. The obligations of the Issuer under this Loan Agreement are special, limited obligations of the Issuer, payable solely out of the Revenues. The obligations of the Issuer hereunder shall not be deemed to constitute an indebtedness or an obligation of the Issuer, the State of Illinois or any political subdivision thereof within the meaning

of any constitutional limitation or statutory provision, or a charge against the credit or general taxing powers, if any, of any of them.

Section 4.2 Assignment of Issuer's Rights. As security for the payment of the Bond, the Issuer will, pursuant to the Bond Issuance Agreement and the Assignment, assign and pledge to the Bondholder all of the Issuer's right, title and interest in and to this Loan Agreement and the Owner Note, except that it will retain the Issuer Reserved Rights, but such retention by the Issuer will not limit in any way the exercise by the Bondholder of its rights hereunder, under the Assignment or under the Bond Issuance Agreement, the Owner Note, the Bond and the Security for the Bond. Notwithstanding anything herein to the contrary, the Issuer hereby directs the Owner to make all payments under this Loan Agreement (except with respect to the Issuer

Reserved Rights) and the Owner Note directly to the Bondholder. The Owner hereby acknowledges and consents to such pledge and assignment, and agrees to make payments directly to the Bondholder (except with respect to the Issuer Reserved Rights), without defense or set-off, recoupment or counterclaim by reason of any dispute between the Owner on the one hand, and the Bondholder, the Fiscal Agent or the Issuer on the other hand, or otherwise. After any such assignment and pledge referenced in this Loan Agreement, the Bond Issuance Agreement, the Bond, the Owner Note or the Security for the Bond, all rights, interest and benefits accruing to the Issuer under this Loan Agreement or the Owner Note, except for the Issuer Reserved Rights, shall be assigned to and become the rights and benefits of the Bondholder. Any obligations of the Issuer as provided in the Bond Issuance Agreement, this Loan Agreement, the Bond or the Owner Note shall remain the obligations of the Issuer to the extent provided herein and therein after such assignment. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer (other than the Issuer Reserved Rights) and all obligations of the Owner under and pursuant to the assigned documents as aforesaid, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default hereunder.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF ISSUER

The Issuer hereby represents and warrants as follows (which representations and warranties shall survive the execution and delivery hereof, the making of the Loan and the issuance of the Owner Note):

Section 5.1 Organization and Authority. The Issuer is a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois. Under the Constitution and laws of the State of Illinois, the Issuer has the power to enter into the transaction contemplated by this Loan Agreement, the Bond Issuance Agreement, the Bond, and the Issuer Documents, and to carry out its obligations hereunder and thereunder, including the full right, power and authority to pledge and assign this Loan Agreement and the Owner Note to the Bondholder as provided herein. By proper action of the City Council of the Issuer, the Issuer has been duly authorized to execute and deliver this Loan Agreement, the Bond, the Bond Issuance Agreement and the Issuer Documents.

Section 5.2 Amount of Bond: Proceeds. The Bond is being issued in the principal amount of \$ _____, will mature and bear interest as set forth in Article II of the Bond Issuance Agreement, and will be subject to redemption prior to maturity as set forth in Article III of the Bond Issuance Agreement. The proceeds of the sale of the Bond will be lent to the Owner for the purpose of paying Costs of the Project.

Section 5.3 Issuance. The Bond is to be issued under home rule powers of the Issuer under the Constitution of the State of Illinois and secured by the Bond Issuance Agreement, pursuant to which the right, title and interest of the Issuer in, to and with respect to this Loan

Agreement, the Owner Note, the Owner Collateral Documents and the Security for the Bond (other than with respect to the Issuer Reserved Rights) will be assigned and pledged to the Bondholder as security for payment of the principal of and interest on the Bond as provided in the Bond Issuance Agreement.

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Section 5.4 Non-Assignment. The Issuer has not assigned or pledged, and will not assign or pledge, its interest in this Loan Agreement, the Owner Note, the Owner Collateral Documents and the Security for the Bond other than to Bondholder to secure the Bond.

Section 5.5 Purposes. The Issuer hereby finds and determines that the Project is in the best interests of the Issuer, and that all requirements of the Constitution and laws of the State of Illinois have been complied with.

Section 5.6 No Conflict. To the knowledge of the undersigned representatives of the Issuer, neither the execution and delivery of this Loan Agreement, the Bond or the Bond Issuance Agreement, the consummation of the transactions contemplated hereby or thereby, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Issuer is now a party or by which it or any of its Property is bound, or constitutes a default under any of the foregoing. THE ISSUER MAKES NO REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE CREDITWORTHINESS OR THE ABILITY OF THE OWNER TO MAKE THE PAYMENTS DUE UNDER THIS LOAN AGREEMENT OR THE OWNER NOTE AND DOES NOT REPRESENT OR WARRANT AS TO ANY OF THE STATEMENTS, MATERIALS (FINANCIAL OR OTHERWISE), REPRESENTATIONS OR CERTIFICATIONS FURNISHED OR TO BE MADE AND FURNISHED BY THE OWNER IN CONNECTION WITH THE ISSUANCE, SALE, EXECUTION AND DELIVERY OF THE BOND, OR AS TO THE CORRECTNESS, COMPLETENESS OR ACCURACY OF SUCH STATEMENTS.

Section 5.7 No Litigation. To the knowledge of the undersigned representatives of the Issuer, there is no action, suit, proceeding or investigation pending or threatened against the Issuer which seeks to restrain or enjoin the issuance or delivery of the Bond, or the execution and delivery of the Bond Issuance Agreement, this Loan Agreement or the Issuer Documents, or which in any way contests or affects any authority for the issuance or delivery of the Bond, or the execution and delivery of the Bond Issuance Agreement, this Loan Agreement or the Issuer Documents, or the validity of the Bond, the Bond Issuance Agreement, this Loan Agreement, or in any way contests the corporate existence or powers of the Issuer, or in any way affects the exclusion from gross income for Federal income tax purposes of interest on the Bond.

Section 5.8 Location of the Project. The Project is located entirely within the corporate boundaries of the City of Chicago, Illinois.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF OWNER

To induce the Issuer to issue, and the Bondholder to purchase, the Bond, the Owner hereby represents and warrants to the Issuer and the Bondholder as follows:

Section 6.1 Organization and Authority.

(a) The Owner is a limited partnership, duly organized, validly existing and in good standing under the laws of the State of Illinois. The General Partner is a corporation, duly organized and is validly existing and in good standing under the laws of the State of

Illinois. The Developer is a limited liability company, duly organized and is validly existing and in good standing under the laws of the State of Illinois. TCB is a

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charitable corporation, duly organized and is validly existing and in good standing under the laws of the Commonwealth of Massachusetts and qualified to do business in the State of Illinois.

(b) The Owner (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted, and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in, this Loan Agreement, the Owner Note and the Owner Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(c) The General Partner (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in the Owner Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(d) The Developer (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in the Owner Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

(e) TCB (i) is authorized to do business in the State of Illinois and every other jurisdiction in which the nature of its business or its properties makes such qualification necessary; (ii) has full power and authority to own its properties and to conduct its business as now being conducted and to enter into, and to perform and observe in all material respects the covenants and agreements in its part contained in the Owner Documents; and (iii) is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.

Section 6.2 Private Placement. Neither the Owner nor any agent or representative thereof has offered the Owner Note to any Person other than the Issuer and the Bondholder.

Section 6.3 Borrowing Legal and Authorized. The Owner's execution and delivery of, performance by, compliance with this Loan Agreement, the Owner Note and the Owner Documents, and the consummation of the transactions provided for herein and therein: (a) are within the Owner's powers as an Illinois limited partnership; (b) have been duly authorized; (c) require no approval of any Governmental Body or other Person (other than approval of the Owner's partners, which has already been obtained); (d) do not and will not contravene or conflict with (i) the Partnership Agreement or Certificate of Limited Partnership of the Owner; (ii) any Government Regulation to which it is subject, or (iii) any judgment, decree, order or contractual restriction binding on or affecting the Owner, the General Partner, the Developer, TCB or the Project; and (e) do not and will not contravene or conflict with, or cause any Lien

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upon or with respect to any of the Owner's Property (including, but not limited to, the Project), other than as permitted in writing by the Bondholder or as expressly permitted hereunder.

Section 6.4 Validity; Binding Nature; Approvals. The Owner Documents are the legal, valid and binding obligations of the Owner, enforceable against the Owner in accordance with their respective terms. No order, authorization, consent, license or exemption of, or filing or registration with, any court or Governmental Body, or any other approval which has not been obtained or taken and is not in full force and effect, is required to authorize, or is required in connection with the execution, delivery and performance by the Owner of the Owner Documents (except for those which are not yet required to have been obtained in connection with the construction and equipping of the Project).

Section 6.5 Bond Counsel May Rely on Representations and Warranties. The Owner agrees that Bond Counsel shall be entitled to rely upon the factual representations and warranties of the Owner set forth in this Article VI in connection with the delivery of legal opinions on the date of the issuance of the Bond.

Section 6.6 Pending Litigation. There is no pending action or proceeding before or by any court, Governmental Body or arbitrator against or directly involving the Owner, the General Partner or the Developer, and, to the best of the Owner's knowledge, there is no threatened action or proceeding, or inquiry that might give rise thereto, materially affecting the Owner or any of its Properties, or the General Partner or the Developer, before any court, Governmental Body or arbitrator. The Owner does not know of any basis for any of the foregoing: (a) that, in any case, may materially and adversely affect the financial condition or operation of the Owner, the General Partner, or the Developer; (b) that, in any case, may seek to restrain, or would otherwise have a material adverse effect on, the transactions contemplated herein; or (c) that, in any case, would affect the validity or enforceability of the Owner Documents. There is no pending, or the best of Owner's knowledge, threatened litigation, against or directly involving TCB: (i) that, in any case, may materially and adversely affect the financial condition or operation of TCB except as has been disclosed to the Bondholder in Exhibit A to that certain Guaranty of Payment and Performance of even date herewith delivered by TCB to Bondholder; (ii) that, in any case, may seek to restrain, or would otherwise have a material adverse effect on, the transactions contemplated herein; or (iii) that, in any case, would affect the validity or enforceability of the Owner Documents.

Section 6.7 Filing and Payment of Tax Reports and Returns. The Owner has filed or caused to be filed all federal, state and local tax reports and returns which are required to be filed, and has paid or caused to be paid all taxes as shown on said returns or which are due or on any assessment received by it.

Section 6.8 Full Disclosure. Neither this Loan Agreement nor any written statement furnished by the Owner to the Issuer or the Bondholder in connection with the negotiation of the sale of the Bond contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein or herein not misleading. The Owner has disclosed to the Bondholder in writing all facts that might materially and adversely affect the transactions contemplated by this Loan Agreement, or that might materially and adversely affect the business, credit, operations, financial condition or prospects of the Owner, or that might materially and adversely affect any material portion of the Owner's Properties (including, but not limited to, the Project), or the Owner's ability to perform its obligations under the Owner Documents.

Section 6.9 No Defaults. To the best of the Owner's knowledge, the Owner is not in default in the payment or performance of any of its obligations, liabilities or indebtedness, or the performance of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which it is a party or by which it or any of its Properties may be bound, which default would have a material and adverse effect on the business, operations, Property or condition, financial or otherwise, of the Owner. To the best of the Owner's knowledge, no event, act or condition exists that would constitute a Default or an Event of Default hereunder. To the best of the Owner's knowledge, the Owner is not in default under any order, award or decree of any court, arbitrator or Governmental Body binding upon or affecting it, or by which any of its Properties may be bound or affected, which default would have a material and adverse effect on the business, operations, Property or condition, financial or otherwise, of the Owner, and no such order, award or decree adversely affects the ability of the Owner to carry on its business as currently conducted or the ability of it to perform its obligations under this Loan Agreement, the Owner Note, the Owner Collateral Documents, the Security for the Bond and the Owner Documents.

Section 6.10 Governmental Consent. Neither the nature of the Owner nor of any of its activities or Properties, nor any relationship between the Owner and any other Person, or any circumstances in connection with the execution and delivery by the Owner of the Owner Documents, or the performance or observance of any covenants or agreements required to be observed or performed by such Owner under the Owner Documents, requires the consent, approval or authorization of, or filing, registration or qualification with, any Governmental Body on the part of the Owner as a condition to the execution and delivery of the Owner Documents (except for those which are not yet required to have been obtained in connection with the construction and equipping of the Project).

Section 6.11 Compliance with Law. To the best of the Owner's knowledge, the Owner is currently in compliance with all Government Regulations to which it is subject, and has obtained and shall continue to maintain all licenses, permits, franchises or other governmental authorizations necessary for the ownership of its Property or the conduct of its activities, non-compliance with which or failure to obtain which might materially adversely affect the ability of the Owner to conduct its activities as currently conducted or the financial condition of the Owner.

Section 6.12 Restrictions on the Owner. The Owner is not a party to any contract or agreement, or subject to any charter or other restriction, that materially and adversely affects (within the sole discretionary judgment of the Bondholder) its ability to perform its obligations under this Loan Agreement. The Owner is not a party, or otherwise subject, to any provision contained in any instrument evidencing Indebtedness, any agreement relating thereto or any other contract or agreement (including its Partnership Agreement) that restricts or otherwise limits the incurring of the Indebtedness to be represented by the Owner Documents. The Owner possesses all rights and properties necessary for the conduct of its business as currently conducted and as intended to be conducted.

Section 6.13 No Conflict of Interest. No member of the governing body of the Issuer or any elected or salaried officer or official of the Issuer has any interest (financial, employment or other) in the Owner, the Project or the transactions contemplated by the Owner Documents.

Section 6.14 Project Compliance. To the best of the Owner's knowledge, the Project will not violate any existing Government Regulation with respect thereto, and the anticipated use of the Project complies with all existing applicable ordinances, regulations and restrictive

covenants affecting the Project, and all requirements of such use that can be satisfied prior to completion of construction have been satisfied.

Section 6.15 Eminent Domain; Damage; Code Violations. The Owner has not received notice of, or has any knowledge of: (a) any proceedings, whether actual, pending or threatened, for the taking under the power of eminent domain or any similar power or right, of all or any portion

of the Project; (b) any damage to or destruction of any portion of the Project; or (c) any zoning, building, fire or health code violations in respect of the Project that have not heretofore been corrected or that are not scheduled to be corrected in connection with the construction of the Project.

Section 6.16 Permits and Licenses. All building, zoning, safety, health, fire, water district, sewerage and environmental protection agency permits and other licenses and permits that are required by any Governmental Body for the construction, use, occupancy and operation of the Project have been obtained and are in full force and effect (except for those which are not yet required to have been obtained in connection with the construction and equipping of the Project, and which will be obtained at or prior to the time required by law in connection with the construction and equipping of the Project).

Section 6.17 Financial Statements. All balance sheet, income statements, statements of cash flow and other financial data that have been or shall hereafter be furnished to the Bondholder for the purposes of or in connection with this Loan Agreement do and will present fairly in accordance with GAAP, consistently applied, the financial condition of the Owner as of the dates thereof and the results of its operations for the periods covered thereby.

Section 6.18 Broker's Fees. Other than with respect to any term sheet proposal deposit and the origination fee being paid by the Owner in connection with the purchase of the Bond by the Bondholder, the Owner has no obligation to any Person in respect of any finder's, broker's or similar fee in connection with the Owner Documents.

Section 6.19 Other Representations and Warranties. Each representation and warranty made by Owner to or for the benefit of Bondholder in any other document relating to the financing and construction of the Project, including but not limited to the Bondholder Loan Agreement, is or will be, as of the date made, true and correct, and, if deemed to be remade under the terms of such document, shall be true and correct on each date such representation or warranty is deemed remade.

Section 6.20 Survival. The representations and warranties set forth in this Article VI shall survive until all Liabilities have been indefeasibly paid in full.

Section 6.21 Remaking of Representations and Warranties. At the time of making of each disbursement pursuant to Section 9.3, the Owner shall be deemed to have remade each of the representations and warranties contained in this Article VI with the same effect as though made on the date of such disbursement.

ARTICLE VII

COVENANTS OF OWNER

Section 7.1 Tax-Exempt Status of the Bond. The proceeds of the Bond will be used in a manner consistent with the representations of the Owner contained herein, the Tax

Agreement and the Project Certificate. The Owner shall not use the Project, or permit the Project to be used, in such a way as would result in the loss of the exclusion from gross income for Federal income tax purposes of interest on the Bond, and will not act in any manner that would adversely affect the exclusion from gross income for Federal income tax purposes of interest on the Bond.

Section 7.2 Taxes, Charges and Assessments. The Owner shall pay or cause to be paid on or before the date they become due, all taxes (except taxes imposed on gross or net income), duties, charges, assessments and impositions on, or on account of, the use, occupancy or operation of the Project, and on any payments under this Loan Agreement or under the Owner

Note. The Owner shall promptly pay when due all amounts except such as the Owner is diligently contesting in good faith and by appropriate proceedings; provided that the Owner has provided for and is maintaining adequate reserves with respect thereto in accordance with GAAP or a bond or other acceptable form of security to assure payment is made.

Section 7.3 Compliance with Orders, Ordinances, Etc. The Owner shall, at its sole cost and expense, comply with all current and future applicable Government Regulations, the failure to comply with which would materially and adversely affect the Project or the use, occupancy or condition thereof. The Owner shall have the right to contest any such Government Regulation and, in the event of any such contest, may refrain from complying therewith during the period of such contest and any appeal therefrom; provided that it has furnished additional security satisfactory to the Bondholder for any loss or damage that the Bondholder may sustain by reason of such non-compliance.

Section 7.4 Books, Records and Inspections. The Owner shall maintain complete and accurate books and records (including records relating to the Project), and, during reasonable times and upon reasonable notice (except upon an Event of Default when no such notice shall be required), shall permit the Issuer and the Bondholder to have full and complete access to such books and records of the Owner, and shall permit the Issuer and the Bondholder to visit, audit, examine, copy and inspect, as applicable, the Owner's books and records, offices, Premises and operations, at the sole cost and expense of the Owner. The Issuer and the Bondholder have no duty to visit the Premises, to supervise or observe construction or to examine any books or records. Any site visit, observation or examination by the Issuer or the Bondholder is solely for the purpose of protecting their respective rights and interests. No site visit, observation or examination by the Issuer or the Bondholder will impose any liability on the Issuer or the Bondholder or result in a waiver of any Event of Default of the Owner or be a representation that the Owner is or will be in compliance with the approved Plans and Specifications for the Project, that the construction of the Project is free from defective materials or workmanship, or that the construction complies with all applicable laws, ordinance and regulations. Neither the Owner, nor any other party, is entitled to rely on any site visit, observation or examination by the Issuer or the Bondholder. The Issuer and the Bondholder owe no duty of care to protect the Owner or any other party against, or to inform the Owner or any other party of, any negligent or defective design or construction of the Project or any other adverse condition affecting the Premises.

Section 7.5 Change in Nature of Operations. The Owner shall not make any material change in the nature of its operations carried on as of the date of issuance of the Bond unless consented to in writing by the Issuer and the Bondholder.

Section 7.6 Owner to Maintain Existence; Consolidation or Merger. Absent the prior written consent of the Bondholder, the Owner shall, as long as the Bond is outstanding, maintain its existence, not dissolve, liquidate, transfer any membership or other equity interest in the Owner or otherwise dispose of all or substantially all of its assets, and not consolidate with or merge into another business entity or permit one or more other business entities to consolidate with or merge into it. Notwithstanding anything to the contrary contained herein, the Owner's Investor Limited Partner and Special Limited Partner shall be permitted to remove the General Partner and replace the General Partner with a single-purpose affiliate of the Special Limited Partner in accordance with the Owner's Partnership Agreement without the consent of the Bondholder, provided that (a) the partnership interests of any such substitute General Partner shall be subject to the Bondholder's security interests pursuant to the terms of the Security Agreement, and (b) any such substitute General Partner shall execute any and all documents, including security agreements and financing statements, as the Bondholder may reasonably request in order to create, perfect, or continue such security interests. Notwithstanding the

foregoing, the substitute General Partner shall assume all the rights and obligations of the General Partner under all of the Loan Documents.

Transfers of the interest of the Owner's Investor Limited Partner or Special Limited Partner shall not be made (i) except as permitted under the Bondholder Loan Agreement, and (ii) without the consent of the Issuer (with the exception of Permitted Transfers), which consent shall not be unreasonably withheld or delayed, and which consent of the Issuer shall not be required after all equity contributions of the Investor Limited Partner have been made pursuant to the terms and conditions of the Partnership Agreement.

The Owner may amend the Owner's Partnership Agreement to reflect any permitted removal and substitution of the General Partner or permitted transfer of the Investor Limited Partner's or Special Limited Partner's interests without the consent of the Issuer or the Bondholder.

Section 7.7 Transfer of Project. Absent the prior written consent of the Bondholder and the Issuer, the Owner shall not sell, transfer or otherwise dispose of the Project or any portion thereof (other than sales or other dispositions of obsolete equipment or fixtures in the ordinary course of business) while the Bond is Outstanding.

Section 7.8 Environmental Requirements; Indemnity.

(a) As between the Issuer and the Owner, the Issuer and the Owner agree and understand that the terms and provisions of the Environmental Indemnification Agreement of even date herewith by Owner for the benefit of Issuer (the "Issuer Environmental Indemnity Agreement") shall govern all indemnifications from the Owner to the Issuer with respect to environmental matters affecting the Project. The terms and provisions of the Issuer Environmental Indemnification Agreement are incorporated herein by this reference, mutatis mutandis, as if fully set forth herein with respect to such relationship.

(b) As between the Bondholder and the Owner, the Bondholder and the Owner agree and understand that the terms and provisions of the Environmental Indemnification Agreement shall govern all indemnifications from the Owner to the Bondholder with respect to environmental matters affecting the Project. The terms and provisions of the Environmental Indemnification Agreement are incorporated herein by

this reference, mutatis mutandis, as if fully set forth herein with respect to such relationship.

Section 7.9 Insurance. The Owner shall at all times maintain insurance with respect to the Project as is set forth in [Section 8.8] of the Bondholder Loan Agreement.

Section 7.10 Project Budget. All Costs of the Project shall be identified by line item in the Development Cost Budget approved in writing by the Bondholder. The initial Development Cost Budget shall have a hard cost contingency line item in the minimum amount of five percent (5%) of the hard cost amount (exclusive of profit and overhead) of the approved contract for construction of the Project between the Owner and a general contractor approved by the Bondholder. The initial Development Cost Budget, once so approved by the Bondholder shall not be modified or amended without the prior written approval of the Bondholder.

Section 7.11 Completion of Construction. The Owner shall commence construction of the Project on or prior to _____, 20__ , and Complete all improvements comprising the Project on or before the earlier of (a) [_____ , 20__], and (b) the date required under any Project Agreement, as defined in the Bondholder Loan Agreement (the "Completion Date").

For purposes of this Section, the Project shall be deemed "Complete" when each of the following conditions has been satisfied: (i) lien-free completion of the construction of the Project, including all residential units and completion of all "punch list" items, in a good and workmanlike manner without any known defects in materials or workmanship, whether latent or otherwise, in accordance with the Plans and Specifications, to the satisfaction of Bondholder (except for completion of landscaping which may be delayed by weather conditions); (ii) the Architect has issued a certificate of completion in the form of AIA Document G704 or a substantially similar form reasonably acceptable to the Bondholder; (iii) issuance of one or more final certificates of occupancy (or a conditional certificates of occupancy subject to conditions reasonably satisfactory to Bondholder) with respect to the Project, each Building and each of the residential units by the City of Chicago sufficient to permit lawful occupancy of the Project, each Building and each residential unit; (iv) the Project has been "placed in service" pursuant to the requirements of Section 42 of the Internal Revenue Code; (v) all amounts owing to the General Contractor for the construction of the Project have been paid in full; (vi) final lien waivers have been obtained; (vi) all conditions of Substantial Completion, as defined in the Partnership Agreement, have been satisfied, and (vii) environmental remediation of the Project is complete in accordance with the draft "No Further Remediation" letter from the IEPA. For purposes hereof, "lien-free completion" shall be deemed to have occurred notwithstanding the pendency of any lien claims, so long as such claims are bonded or insured over in compliance with the terms and conditions of the Mortgage.

Section 7.12 Balancing. The Owner shall maintain the Project "in balance" in accordance with the terms and conditions of [Section 6.4] of the Bondholder Loan Agreement.

Section 7.13 Change Orders. The Owner shall comply at all times with the terms and conditions of [Section 8.2] of the Bondholder Loan Agreement.

Section 7.14 Covenant Against Liens. The Owner must pay or otherwise discharge promptly all claims and liens for labor done and materials and services furnished in connection with the construction of the Project. The Owner has the right to contest in good faith any claim or lien, provided that it does so in accordance with the terms and conditions of [Section 8.3] of the Bondholder Loan Agreement.

Section 7.15 Notices. The Owner must notify the Bondholder promptly in writing of: (a) any litigation affecting the Owner, the General Partner, the Developer or TCB, the defense of which has not been tendered to and accepted by the Owner's or such other parties' insurance carrier, as applicable; (b) any written or oral communication the Owner receives from any governmental, judicial or legal authority giving notice of any claim or assertion that the Premises or the Project fails in any material respect to comply with any of any applicable law, ordinance, rule, regulation or other governmental requirements; (c) any material adverse change in the physical condition of the Project (including any damage suffered as a result of earthquakes or floods); (d) any material adverse change in the financial condition or operations of the Owner, the General Partner or the Developer, or any material adverse change in the financial condition or operations of TCB which would materially adversely affect TCB's ability to fulfill its obligations under the Owner Documents; (e) any change in the ownership or control of the Owner, the General Partner, the Developer or TCB; or (f) any default by the Owner's General Contractor or any subcontractor or material supplier for the Project under any agreement relating to the Project.

Section 7.16 Zoning Amendments, Subdivisions, etc. The Owner will not, without the prior written consent of the Bondholder, suffer or cause any change in zoning relating to the Premises or permit any vacation of any existing public street or alley serving the Premises or dedicate any portion of the Premises or convert any portion of the Project to condominium or cooperative ownership

Section 7.17 Covenants Regarding Tax Credits. The Owner hereby agrees to comply with all of the following covenants:

(a) to observe and perform all obligations imposed on the Owner in connection with the federal low income housing tax credits allocable to the Project under Section 42(h) of the Code (the "Tax Credits"), including the obligation, if any, to have the Project "placed in service" (within the meaning given in Section 42 of the Code) in a timely manner; and to operate the residential units of the Project, and to use the Owner's best efforts to cause all appropriate parties to operate the same, in accordance with all requirements, statutes, and regulations governing the Tax Credits;

(b) to preserve at all times the allocation and availability of the Tax Credits;

(c) not to release, forego, alter, amend or modify its rights to the Tax Credits without the Bondholder's prior written consent, which the Bondholder may give or withhold in the Bondholder's sole and absolute discretion;

(d) not to execute any residential lease of all or any portion of the Project (except for the market rate units) which does not comply fully with all requirements, statutes and regulations governing the Tax Credits, without the Bondholder's prior written consent, which the Bondholder may give or withhold in the Bondholder's sole and absolute discretion;

(e) to cause to be kept all records, and cause to be made all elections and certifications, pertaining to the number and size of apartment units, occupancy thereof by tenants, income level of tenants, set-asides for low-income tenants, and any other matters now or hereafter required to qualify for and maintain the Tax Credits in connection with the low-income occupancy of the Project;

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(f) to comply with the appropriate minimum low-income set-aside requirements under the Code or applicable federal laws and regulations applicable to the creation, maintenance and continued availability of the Tax Credits;

(g) to certify compliance with the set-aside requirements and report the dollar amount of qualified basis and maximum applicable percentage, date of placement in service and any other information required for the Tax Credits at such time periods as required by federal laws and regulations for such Tax Credits;

(h) to set aside the appropriate number of units for households with incomes meeting the required standards of the median income of the county in which the Project is located to qualify for the Tax Credits (as determined pursuant to Section 42 of the Code and/or State laws), adjusted for family size, and to operate and maintain all such units as "low-income units" qualifying for the Tax Credits under Section 42(i)(3) of the Code; and

(i) to promptly deliver to the Bondholder true and correct copies of all notices or other documents or communications received or given by the Owner from or to the Issuer or the Internal Revenue Service with regard to or relating in any way to the Tax Credits. Immediately upon receipt thereof, the Owner shall deliver to the Bondholder a copy of (i) the basis audits (as required by Section 42 of the Code) for the Project (including a certificate of the Owner's accountant or attorneys if requested by the Bondholder), (ii) the first annual income certification for all tenants of the Project showing that the tenants are qualified for purposes of the Owner's obtaining Tax Credits, and (iii) the fully-completed Form 8609 (required by the Code) issued for the Project. The Owner

shall deliver promptly to the Bondholder such other certificates, income certificates, reports and information as the Bondholder may request.

The Owner understands and acknowledges that the Issuer is making the Loan, and Bondholder is purchasing the Bond, based, in part, upon the value of the Tax Credits, and the Tax Credits, as allocated to the Investor Limited Partner pursuant to the Partnership Agreement, indirectly constitute part of the security for the Loan. The Owner agrees to indemnify, defend, and hold the Issuer and the Bondholder harmless for, from and against any and all actions, suits, claims, demands, liabilities, losses, damages, obligations, and costs or expenses, including litigation costs and reasonable attorney's fees, arising from or in any way connected with the Owner's failure to comply with one or more Tax Credit Covenants, excepting those arising out of, or resulting, solely from the gross negligence or willful misconduct of the Issuer or the Bondholder.

Section 7.18 Capital Contributions of Investor Limited Partner. The Owner shall cause the Investor Limited Partner to make the capital contributions required pursuant to the Partnership Agreement, at the times, in the amounts, and subject to the terms and conditions specified therein including, without limitation, all applicable grace periods provided in the Partnership Agreement. In no event may the Owner amend, modify, or waive any term of the Partnership Agreement which would decrease the amount of, change the conditions to the funding of, change the timing of the funding of, or change the use of, the Investor Limited Partner's capital contributions, without the prior written consent of the Bondholder in its discretion.

Section 7.19 Bondholder Loan Agreement. The Owner shall observe and perform all of the covenants and agreements of Owner contained in the Bondholder Loan Agreement and all documents executed and delivered by Owner in connection therewith.

ARTICLE VIII

COVENANTS OF THE ISSUER

Until the payment in full of the Bond and the Owner Note, and until all Liabilities are indefeasibly satisfied in full, the Issuer covenants and agrees that each of the covenants, undertakings and agreements set forth in this Section shall be complied with.

Section 8.1 Payment of Principal and Interest. The Issuer shall promptly pay the principal of and interest on the Bond at the place, on the dates and in the manner provided in the Bond Issuance Agreement and the Bond according to the true intent and meaning thereof; provided, however, that the Bond shall each be a special, limited obligation of the Issuer payable as to principal and interest solely from the Revenues as provided in Section 2.08 of the Bond Issuance Agreement.

Section 8.2 Owner Note. The Issuer shall not thwart the efforts of the Owner or the Bondholder to defend (and, upon the written request of the Bondholder, shall assist in such defense if such assistance is necessary to adequately defend the rights of the Bondholder thereunder at no cost to the Issuer) the title to the Owner Note against all claims and demands of all Persons whomsoever, and hereby authorizes the Owner and the Bondholder to defend, on behalf of the Issuer, all such claims and demands.

Section 8.3 Further Assurances. The Issuer shall execute, acknowledge and deliver each and every further act, deed, conveyance, transfer and assurance reasonably necessary or proper for the better assuring of the pledge and assignment to the Bondholder of this Loan Agreement, the Owner Note, the Owner Collateral Documents and the Security for the Bond. The Owner agrees to pay all expenses incurred by the Issuer in connection with the performance by the Issuer of its agreements under this Section 8.3.

Section 8.4 Arbitrage. The Issuer shall not take any action within its control, or fail to take any action of which it has knowledge, with respect to the investment of the proceeds of the Bond, including, without limitation, moneys on deposit in any Fund or Account in connection with the Bond, whether or not such moneys were derived from the proceeds of the sale of the Bond or from any other source, or with respect to the payments derived from the Owner Note, which may result in constituting the Bond an "arbitrage bond" within the meaning of Section 148 of the Code and the Regulations. The Issuer further covenants to create a rebate fund upon direction by the Owner to facilitate the payment of any rebatable arbitrage that may arise.

Section 8.5 Volume Cap. The Issuer shall take such actions as may be required to ensure that sufficient volume cap is available under Section 146 of the Code for the issuance of the Bond in compliance with Section 146.

Section 8.6 Assignment of Issuer's Rights. As security for the payment of the Bond, the Issuer shall assign and pledge this Loan Agreement (except for Issuer Reserved Rights), the Owner Note and the Security for the Bond to the Bondholder. The Bondholder and the Owner hereby agree to such assignment, and the Owner agrees that it shall make payments directly to the Bondholder as herein provided, without any defense or rights of set-off whatsoever.

ARTICLE IX

COMPLETION OF PROJECT; ISSUANCE OF BOND

Section 9.1 Agreement to Complete Project; Application of Bond Proceeds. The Owner shall apply the proceeds of the Bond, and the proceeds of the Additional Funding Sources, to the acquisition, construction, and equipping of the Project as described in Exhibit B attached hereto. The Owner acknowledges and agrees that the disbursement of proceeds of the Bond shall be made in the order and pursuant to the terms of the Construction Escrow Agreement. The Owner agrees that the acquisition, construction, and equipping of the Project will at all times proceed with due diligence to completion in accordance with the terms and conditions of this Loan Agreement and the Bondholder Loan Agreement.

Section 9.2 Agreement to Issue the Bond. In order to provide funds to make the Loan to the Owner to pay a portion of the Costs of the Project and related expenses, but subject to the terms and conditions contained in the Bond Issuance Agreement, the Issuer agrees that it will issue, sell and cause to be delivered to the Bondholder, the Bond in the principal amount of [\$_____] bearing interest and maturing as set forth in the Bond Issuance Agreement. The Issuer will deposit, or cause to be deposited, the proceeds received from the sale of the Bond with the Fiscal Agent for deposit in the Construction Account of the Construction Fund in accordance with Article IV of the Bond Issuance Agreement.

Section 9.3 Disbursements from the Construction Fund. Upon receipt by the Fiscal Agent of the proceeds from the sale of the Bond as advanced by the Bondholder, the Fiscal Agent will, subject to the prior written approval of the Bondholder, disburse moneys in the Construction Account of the Construction Fund to or on behalf of the Owner for the following purposes, to the extent included in the Development Cost Budget or otherwise approved by Bondholder:

- (a) Payment of the initial or acceptance fee of the Fiscal Agent (if any), the fees and expenses for recording or filing any required documents or instruments by which the revenues and receipts to be derived by the Issuer pursuant to this Loan Agreement, the related Owner Note and the Security for the Bond are assigned and pledged as security for the Bond, and the fees and expenses for recording or filing any financing

statements and any other documents or instruments that either the Owner or counsel to the Issuer may deem desirable to file or record.

(b) Payment to the Owner of such amounts as shall be necessary to reimburse the Owner in full for all advances and payments made or costs that have been or will be incurred prior to or after the delivery of the Bond for expenditures in connection with the preparation of Plans and Specifications (including any preliminary study or planning of the Project or any aspect thereof), the acquisition, construction, and equipping of the Project and the acquisition and installation necessary to provide utility services and all real or personal properties deemed necessary in connection with the Project.

(c) Payment or reimbursement to the Owner of all financial, legal and accounting fees and expenses (including all expenses incurred in connection with the placement of the Bond) incurred in connection with the authorization, sale and issuance of the Bond, the preparation of the Bond Issuance Agreement, this Loan Agreement, the

Security for the Bond, the Owner Documents, the Issuer Documents and all other documents in connection therewith.

(d) Payment or reimbursement for labor, services, materials and supplies used or furnished on site improvement and in the acquisition, construction, and equipping of the Project as provided in Exhibit B hereto, payment for the cost of the acquisition and installation of utility services or other facilities, and the acquisition and installation of all real and personal property deemed necessary in connection with the Project and payment for the miscellaneous capitalized expenditures incidental to any of the foregoing items.

(e) Payment or reimbursement of the fees if any, for architectural, engineering, legal, investment banking and supervisory services with respect to the Project, and of any fees payable to the Issuer or the Bondholder, or the Issuer's or the Bondholder's counsel, or to the Investor Limited Partner in connection with the financing of the Project.

(f) To the extent not paid pursuant to a contract for acquisition, construction, or equipping with respect to any part of the Project, payment of the premiums on all insurance required to be taken out and maintained with respect to the Project during the related construction period.

(g) Payment of the taxes, assessments and other charges, if any, that may become payable during the related construction period with respect to the Project, or reimbursement thereof if paid by the Owner.

(h) Payment of expenses incurred in seeking to enforce any remedy against any supplier, conveyor, grantor, contractor or subcontractor in respect of any default under a contract relating to the Project.

(i) Payment of interest on the Owner Note, or reimbursement of the Owner for any payments for such purpose during the construction period.

(j) All money remaining in the Construction Fund after the Project is Complete, and after payment or provision for payment of all other items provided for in the preceding subsections (a) to (i), inclusive, of this Section 9.3, shall be used in accordance with Section 9.4 hereof.

Each of the payments referred to in this Section 9.3, other than those payments referred to in subsections (i) and (j) above, shall be made upon receipt by the Fiscal Agent of the documents

and showings specified in Section 9.5(a) hereof. Payments referred to in subsection (i) shall be made in accordance with Section 9.5(b) hereof.

Notwithstanding any other provision hereof or of the Bond Issuance Agreement, in the event the moneys in the Construction Fund, together with the balance of monies that are available through the Additional Funding Sources, for payment of the Costs of the Project should not, in the Bondholder's reasonable judgment, be sufficient to pay the costs thereof in full, the Owner agrees within ten (10) days after receipt of written notice thereof from the Bondholder to pay directly, or to deposit in the Construction Fund moneys sufficient to pay the costs of completing the Project as may be in excess of the moneys available therefor in the Construction Fund and from the Additional Funding Sources. NEITHER THE ISSUER NOR

THE BONDHOLDER MAKES ANY WARRANTY, EITHER EXPRESS OR IMPLIED, THAT THE MONEYS WHICH WILL BE PAID INTO THE CONSTRUCTION FUND, AND WHICH, UNDER THE PROVISIONS OF THIS LOAN AGREEMENT, WILL BE AVAILABLE FOR PAYMENT OF THE COSTS OF THE PROJECT, WILL BE SUFFICIENT TO PAY ALL THE COSTS THAT WILL BE INCURRED IN THAT CONNECTION. The Owner agrees that if it should pay or should deposit moneys in the Construction Fund for payment of any portion of the Costs of the Project pursuant to the provisions of this Section 9.3, it shall not be entitled to any reimbursement therefor from the Issuer, the Fiscal Agent or the Bondholder, nor shall it be entitled to any diminution of the amounts payable under the Owner Note or hereunder. The Owner hereby pledges, sets over and transfers to the Issuer and hereby grants to the Issuer a security interest and right of setoff in all rights to the proceeds in the escrow account, if any, created pursuant to Section 9.4 of this Loan Agreement.

Section 9.4 Completion of the Project.

(a) Any moneys (including investment proceeds) remaining in the Construction Account of the Construction Fund on the date the Project is Completed and not set aside for the payment of Costs of the Project not then due and payable shall on such date be placed by the Fiscal Agent in a separate escrow account and used to pay the outstanding balance (including principal and interest) of the Owner Note at the earliest possible redemption date, provided that, until used for such purpose, moneys on deposit in such escrow account may be invested as provided in Section 9.6 hereof, but may not be invested to produce a yield on such moneys (computed from the Completion Date and taking into account any investment of moneys during the period from the Completion Date until such moneys were deposited in such escrow account) greater than the yield on the Bond, all as such terms are used in and determined in accordance with Section 148(a) of the Code and the Regulations.

(b) No Person not a party hereto shall have any rights to the money or other funds or assets from time to time in the Construction Fund or the escrow accounts referred to in this Section 9.4 or Section 4.02 of the Bond Issuance Agreement.

Section 9.5 Disbursements.

(a) Funds in the Construction Fund shall be disbursed upon written request, substantially in the form of Exhibit C hereto, signed by the Owner and the Bondholder. The Bondholder's disbursement of funds from the Construction Fund, other than the payment or reimbursement of interest pursuant to Section 9.3(i), shall be subject to the satisfaction of the conditions set forth in Articles X and XI hereof. Immediately following a disbursement, the Owner covenants that written notice of the amount and date of the disbursement shall be provided to the Issuer. Such notice may be provided by an email sent to such address as the Issuer may have designated to be used for such purposes in a prior notice to the Owner.

(b) A portion of the principal amount of the Loan on deposit in the Construction Fund may be allocated to an interest reserve for the payment of interest on the Loan (the "Interest Reserve"). The amount of the Interest Reserve shall be reasonably determined by the Bondholder and will be disbursed from time to time directly to the Bondholder to pay accrued interest due and payable under the Loan and on the Owner Note. The Owner hereby designates and appoints the Bondholder as its agent and attorney-in-fact for the purpose of applying the proceeds of the Loan allocated

to the Interest Reserve to the payment of accrued interest on the principal balance of the Loan as the same becomes due and payable hereunder, and authorizes the Fiscal Agent to make such disbursements on the due dates for payments of interest on the Loan as directed by the Bondholder. The Fiscal Agent shall keep complete records of disbursement of the Interest Reserve, and shall provide them to the Owner, the Issuer and the Bondholder upon written request therefor.

Section 9.6 Investment of Moneys.

(a) Any moneys held as part of the Construction Fund, or the escrow accounts specified in Section 9.4 hereof, or as part of any other Fund or Account in the possession or control of the Fiscal Agent,* while acting as such under the Bond Issuance Agreement, and any other moneys subject to the requirements of Section 148(a) of the Code, including any moneys which at any time shall constitute "gross proceeds" of the Bond within the meaning of the Regulations, shall be invested, to the extent permitted by law, only in Eligible Investments.

(b) All such investments of moneys held by the Fiscal Agent as a part of the Construction Fund or the escrow accounts specified in Section 9.4 hereof or any other Fund or Account shall be made by the Fiscal Agent at the direction of the Owner (which direction shall be either in writing or given orally and confirmed in writing). The approval of the Issuer shall not be required prior to the making of any such investment, but the Issuer reserves the right (which right is subject to assignment as set forth in Section 4.2 hereof) to disapprove in its reasonable discretion any investments or proposed investments of which it has notice. If no direction is given by the Owner, the Issuer may direct (which right is subject to assignment as set forth in Section 4.2 hereof) the Fiscal Agent to invest in any of the Eligible Investments, and, if no direction is given, the Fiscal Agent or any affiliate thereof shall invest in a money market deposit account at the Fiscal Agent.

(c) The Fiscal Agent may make any and all such investments through its own investment department or that of an affiliate. The investments so purchased shall be held by the Fiscal Agent and shall be deemed at all times a part of the Fund or Account for which the investment was made, and the interest accruing thereon and any profit realized therefrom shall be credited to such Fund or Account, as the case may be, and any net losses resulting from such investment shall be charged to such Fund or Account, as the case may be.

Section 9.7 Arbitrage Covenant. The Owner covenants with the Bondholder and the Issuer that, as long as any of the payment obligations hereunder remain unpaid, moneys on deposit in any Fund or Account in connection with the Bond, whether or not such moneys were derived from the proceeds of the sale of the Bond or from any other source, will not be used in a manner that will cause the Bond to be "arbitrage bonds" within the meaning of Section 148(a) of the Code and the Regulations.

ARTICLE X

CONDITIONS TO APPROVAL OF INITIAL DISBURSEMENTS

All disbursements (other than disbursements solely to pay interest on the Owner Note) made by the Fiscal Agent of funds deposited and held in the Construction Fund are subject to

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the prior written approval of the Bondholder as set forth in Articles X (with respect to initial disbursements) and XI (with respect to all disbursements) hereof. Funds in the Construction Fund may be disbursed to pay Costs of the Project upon fulfillment of the conditions set forth in Section 2.11 of the Bond Issuance Agreement, and subject to the disbursement requirements of this Article and Article XI hereof.

The Bondholder's approval of the initial disbursement of proceeds of the Loan is subject to the satisfaction of all of the following conditions and delivery of the following documents in form and content acceptable to the Bondholder:

Section 10.1 Documents. All of the documents required to be delivered to the Bondholder or the Fiscal Agent pursuant to this Loan Agreement and the Bond Issuance Agreement shall have been duly authorized, executed and delivered to the Bondholder and the Fiscal Agent, respectively, including, without limitation, the Owner Note, the Bond, the Owner Collateral Documents and such other agreements or documents as may be required by the Bondholder in its discretion, including, without limitation, all documents required to be delivered on or prior to the Closing Date pursuant to the Bondholder Loan Agreement.

Section 10.2 Documents of Organization/Authority. A true, correct and complete copy of the fully executed Partnership Agreement (including all amendments) of the Owner, together with such additional documentation as the Bondholder deems necessary to evidence the due organization, good standing and authority of the Owner, the General Partner, the Developer and TCB, the form and content of which shall be satisfactory to the Bondholder in its discretion.

Section 10.3 Opinions of Counsel. Opinions of Bond Counsel[, Issuer's counsel] and Owner's counsel, addressing such matters as the Bondholder may request.

Section 10.4 Bondholder's Fees. All fees and expenses of the Bondholder and the Fiscal Agent (if any) in connection with the purchase of the Bond and the assignment of this Loan Agreement and the Owner Note shall have been paid.

Section 10.5 Searches. Uniform Commercial Code, judgment and federal tax lien searches of the filing offices of the Illinois Secretary of State and Cook County showing all financing statements, tax liens or judgments entered or filed against Owner, the General Partner, the Developer, TCB, or the Premises, and dated no later than thirty (30) days prior to the date of issuance of the Bond.

Section 10.6 Development Cost Budget. The Development Cost Budget setting forth all costs associated with the acquisition of the Premises and the completion of the Project shall be approved by the Bondholder in writing. Once approved by the Bondholder, any subsequent amendments to the approved Development Cost Budget shall require the further prior written approval of the Bondholder.

Section 10.7 Additional Funding Sources. The Bondholder shall have approved the form and content of all documentation evidencing or securing the loans from the Additional Funding Sources with respect to the Project, and the Bondholder shall receive evidence satisfactory to the Bondholder in its sole and absolute discretion that the conditions to initial disbursement of each of the loans from each of the Additional Funding Sources have been satisfied or waived, and such loans are available for disbursement to fund Costs of the Project with respect to the Project, and that no failure of condition or default, or event or circumstance that with notice or the passage of time, or both, would constitute a default, under any ordinance,

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resolution or agreement relating to any such loan from an Additional Funding Source exists; provided, however, that the DTC Loan will be available for initial disbursement within three (3) business days after the initial disbursement of the Loan. The Bondholder and the Additional Funding Sources shall also have agreed in the Construction Escrow Agreement or otherwise in writing regarding the priority and, to the extent contemporaneously funded, the ratio in which the proceeds of the Loans and the Additional Funding Sources are to be disbursed to finance Costs of the Project.

Section 10.8 Equity Requirements. The Bondholder shall have determined, in the exercise of its reasonable discretion, that the aggregate of (a) the principal amount of the Loans, plus (b) the amount of all equity contributed or to be contributed by the Owner, plus (c) all funds committed by Additional Funding Sources are sufficient to (i) fully Complete the Buildings and related ancillary improvements in the Project, and (ii) pay all Costs of the Project, identified in the Development Cost Budget together with other sums due under the Loan Documents.

Section 10.9 Approval of Partners / Material Adverse Financial Change. Each partner of the Owner shall be acceptable to the Bondholder and there shall have occurred no material adverse change in the financial condition of the Owner, the General Partner, the Developer or TCB.

Section 10.10 No Material Litigation. No material litigation shall be pending or threatened against the Owner, the General Partner, the Developer or TCB (other than, with respect to TCB only, as disclosed to the Bondholder in Exhibit A to that certain Guaranty of Payment and Performance of even date herewith delivered by TCB to Bondholder).

Section 10.11 Conditions Under Bondholder Loan Agreement. All additional conditions under the Bondholder Loan Agreement to the purchase of the Bond by Bondholder and the initial funding of the Loan shall have been satisfied.

ARTICLE XI

CONDITIONS PRECEDENT TO ALL DISBURSEMENTS

Unless otherwise approved by the Bondholder (and except with respect to disbursements referred to in subsections 9.3(i) and (j) above), disbursements from the Construction Account in the Construction Fund shall be deposited into the Construction Escrow established with the Title Company pursuant to the Construction Escrow Agreement. Subject to the introductory language of Article X hereof, the Bondholder's approval of each request of the Owner for disbursement of funds held in the Construction Fund shall be subject to satisfaction of the following conditions:

Section 11.1 No Default. No Default or Event of Default, or event which with the giving of notice or lapse of time or both would constitute a Default or Event of Default shall exist hereunder or under the Bond Issuance Agreement, and the representations and warranties contained in Article VI hereof shall be true and accurate in all material respects as of the date of each disbursement request.

Section 11.2 Conditions Under Bondholder Loan Agreement. All additional conditions to such funding under the Bondholder Loan Agreement shall have been satisfied.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1 Events of Default. Each of the following shall constitute an "Event of Default" hereunder:

(a) default by the Owner in the due and punctual payment of any amount required to be paid under the Owner Note, this Loan Agreement, the Bond Issuance Agreement, the Owner Collateral Documents or the Bond, whether by way of principal, interest, fees or otherwise; provided that such default shall not constitute an Event of Default hereunder if it is cured within ten (10) days after the date when due; or

(b) default in the performance or observance of any of the covenants contained in Sections 7.1, 7.6, 7.7 or 7.9 of this Loan Agreement; or

(c) default in the performance or observance of any other of the covenants, agreements or conditions, other than as enumerated in subsection (b), on the part of the Owner in this Loan Agreement or the Owner Note (and not constituting an Event of Default under any of the other provisions of this Section 12.1); provided, however, that if such failure by its nature can be cured, then so long as the priority, validity and enforceability of the liens created by the Owner Collateral Documents are not impaired, threatened or jeopardized, then Owner shall have a period (the "Cure Period") of thirty (30) days after Owner obtains actual knowledge of such failure or receives written notice of such failure to cure the same and an Event of Default shall not be deemed to exist during the Cure Period; provided further that if such failure by its nature can be cured but cannot be cured by the payment of money and Owner commences to cure such failure during the Cure Period and is diligently and in good faith attempting to effect such cure, the Cure Period shall be extended for thirty (30) additional days, but in no event shall the Cure Period be longer than sixty (60) days in the aggregate; or

(d) any Event of Default under the Bond Issuance Agreement or any of the Owner Collateral Documents shall occur; or

(e) any representation or warranty made by the Owner herein or in any of the Owner Collateral Documents is false or misleading in any material respect when made or remade, or any schedule, certificate, financial statement, report, notice or other writing furnished by the Owner to the Issuer or the Bondholder is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified (or deemed stated or certified, or restated or recertified); or

(f) the dissolution or liquidation of the Owner, the General Partner, the Developer, TCB or the Investor Limited Partner (collectively the "Principal Parties," and individually the "Principal Party," as the context requires); the filing by any Principal Party of a voluntary petition in bankruptcy, whether under Title 11 of the United States Code or otherwise; the failure by any Principal Party promptly to lift any execution, garnishment or attachment of such consequence as will impair its ability to carry on its obligations hereunder; the entering of an order for relief under Title 11 of the United States Code, as amended from time to time, against such Principal Party unless such order is discharged or denied within 60 days after the filing thereof; if a petition or answer proposing the entry of an order for relief under Title 11 of the United States Code, as amended from

time to time, is entered by or against such Principal Party, or if a petition or answer proposing the entry of an order for relief under Title 11 of the United States Code, as amended from time to time, or its reorganization, arrangement or debt readjustment under any present or future federal bankruptcy act or any similar federal or state law shall be filed

by or against such Principal Party in any court, and such petition or answer shall not be discharged or denied within 60 days after the filing thereof; if a Principal Party shall fail generally to pay its debts as they become due; if a custodian (including a receiver, trustee or liquidator of a Principal Party) shall be appointed for or take possession of all or a substantial part of its property, and shall not be discharged within 90 days after such appointment or taking possession; if a Principal Party shall consent to or acquiesce in such appointment or taking of possession, or assignment by such Principal Party for the benefit of its creditors; or the entry by a Principal Party into an agreement of composition with its creditors; or

(g) default in the payment when due (subject to any applicable grace period), whether by acceleration or otherwise, of any other Indebtedness (in excess of \$100,000) of, or guaranteed by, the Owner, or default in the performance or observance of any obligation or condition with respect to any such other Indebtedness if the effect of such default is to accelerate the maturity of any such Indebtedness or cause any of such Indebtedness to be prepaid, purchased or redeemed, or to permit the holder or holders thereof, or any trustee or agent for such holder or holders, to cause such Indebtedness to become due and payable, prior to its expressed maturity, or to cause such Indebtedness to be prepaid, purchased or redeemed; or

(h) default in the payment when due, or in the performance or observance, of any material obligation of, or condition agreed to by, the Owner with respect to any material purchase or lease of goods or services (except only to the extent that the Owner is contesting the existence of any such default in good faith and by appropriate proceedings subject to applicable notice and cure provisions, if any); or

(i) there shall be entered against the Owner one or more judgments or decrees in excess of \$100,000 in the aggregate at any one time outstanding for the Owner, excluding those judgments or decrees (i) that shall have been stayed, vacated or bonded, (ii) for and to the extent to which the Owner is insured and with respect to which the insurer specifically has assumed responsibility in writing, or (iii) for and to the extent to which the Owner is otherwise indemnified if the terms of such indemnification are satisfactory to the Issuer and the Bondholder; or

(j) a default by the Investor Limited Partner occurs with respect to its obligation to timely make any installment of its capital contribution to the Owner under the Partnership Agreement or the Owner fails for any reason to cause the Investor Limited Partner to make timely payment of any installment of its capital contribution when due under the Partnership Agreement; or

(k) a default or event of default shall occur under any of the documents evidencing, securing or executed in connection with, any loan made by any Additional Funding Source with respect to the Project, including, without limitation, any promissory notes, mortgages or agreements containing covenants, conditions and restrictions, which default is not cured before the lapse of any applicable cure period; or

(1) an Event of Default shall occur under the Bondholder Loan Agreement.

Notwithstanding anything to the contrary contained herein, the Bondholder hereby agrees that any cure of any default by the Owner made or tendered by one or more of the Owner's partners (including, without limitation, the Investor Limited Partner or Special Limited Partner) shall be deemed a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 12.2 Remedies on Default. If any one or more of the foregoing Events of Default shall occur, then the Bondholder (as assignee of the Issuer pursuant to the Assignment) shall have the right, but not the obligation, and without notice, to exercise any one or more of the following rights and remedies, at any time and from time to time, singularly, successively or collectively, and in such order and when and as often as may from time to time be determined:

(a) The Bondholder may exercise any right, power or remedy permitted to it by law as a holder of the Owner Note, including the right to declare the entire principal of and all unpaid interest accrued on the Owner Note to be, and upon written notice to the Owner (with a copy to the Issuer) of such declaration such Owner Note and the unpaid accrued interest thereon shall become, due and payable, without presentment, demand or protest, all of which are hereby expressly waived. The Owner shall forthwith pay to the Bondholder the entire principal of and interest accrued on the Owner Note. There shall be automatically waived, rescinded and annulled such declaration of acceleration of the Owner Note and the consequences thereof when any declaration of acceleration of the Bond pursuant to Section 7.02 of the Bond Issuance Agreement has been waived, rescinded and annulled.

(b) The Bondholder may take whatever action at law or in equity that may appear necessary or desirable to collect the payments and other amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Owner under this Loan Agreement or the other Owner Collateral Documents.

(c) The Bondholder may direct the Fiscal Agent to withhold further disbursements of proceeds made available to the Owner hereunder.

If the Bondholder shall have proceeded to enforce its rights under this Loan Agreement, the Owner Note, the Owner Collateral Documents or the Security for the Bond, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Bondholder, then and in every such case the Owner, the Issuer and the Bondholder shall be restored, respectively, to their several positions and rights hereunder and thereunder, and all rights, remedies and powers of the Owner, the Issuer and the Bondholder shall continue as though no such proceeding had been taken.

Should a claim (a "Recovery Claim") be made upon the Bondholder at any time for recovery of any amount received by the Bondholder in payment of the Owner Note (whether received from the Issuer, the Owner or otherwise), and should the Bondholder repay all or part of said amount by reason of (a) any judgment, decree or order of any court or administrative body having jurisdiction over the Bondholder or any of its property, or (b) any settlement or compromise of any such Recovery Claim effected by the Bondholder with any such claimant (including, without limitation, the Owner), this Loan Agreement and the security interests granted to the Bondholder pursuant hereto shall continue in effect with respect to the amount so repaid to the same extent as if such amount had never originally been received by the

Bondholder, notwithstanding any prior termination of this Loan Agreement, the return of this Loan Agreement to the Issuer or cancellation of the Owner Note.

If there shall be pending proceedings for the bankruptcy or for the reorganization of the Owner under the federal bankruptcy laws or any other applicable law, or in case a custodian, receiver or trustee shall have been appointed for any of the Property of the Owner, or in the case of any other similar judicial proceedings relative to the Owner, or to the creditors or Property of the Owner, the Issuer and the Bondholder shall be entitled and empowered, by intervention in such proceedings or otherwise, to file and prove a claim or claims for the whole amount owing and

unpaid pursuant to the Owner Note and this Loan Agreement, and, in case of any judicial proceedings, to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Issuer and the Bondholder allowed in such judicial proceedings relative to the Owner, its creditors or its Property, and to collect and receive any moneys or other property payable or deliverable on such claims, and to distribute the same after the deduction of its charges and expenses; and any custodian, receiver, assignee or trustee in bankruptcy or reorganization is hereby authorized to make such payments to the Issuer and the Bondholder, and to pay to the Issuer and the Bondholder any amount due it for compensation and expenses, including attorneys' and paralegals' fees, costs, disbursements and expenses incurred by it up to the date of such distribution.

Section 12.3 Right to Perform Covenants; Advances.

(a) Notwithstanding anything to the contrary contained herein, if the Owner shall fail to make any payment or perform any act required to be made or performed by it hereunder, then and in each such case the Issuer or the Bondholder, upon not less than 15 days' prior written notice to the Owner, may (but shall not be obligated to) remedy such failure for the account of the Owner, and make advances for that purpose. If such failure involves, has caused or threatens to cause a condition that must, in the opinion of the Issuer or the Bondholder, be cured immediately, the Issuer or the Bondholder may remedy such failure without prior notice to the Owner. No such performance or advance shall operate to release the Owner from any such default and any sums so advanced shall be repayable by the Owner on demand, and shall bear interest at the Past Due Rate. The Issuer agrees that the Bondholder, in its name or in the name of the Issuer, may enforce all rights of the Issuer and all obligations of the Owner under and pursuant to this Loan Agreement, and the Issuer will not enforce such rights and obligations itself except at the written direction of the Bondholder, in each case whether or not the Issuer is in Default under the Bond Issuance Agreement; provided, however, that the Issuer hereby reserves to itself the right to enforce all Issuer Reserved Rights.

(b) Notwithstanding anything to the contrary contained herein, no action by any Additional Funding Source to cure any default or Event of Default by the Owner under this Loan Agreement, the Owner Note, the Owner Collateral Documents and the Security for the Bond shall excuse the performance by Owner hereunder or thereunder, or operate to release Owner from any such default or Event of Default.

Section 12.4 Costs and Expenses.

(a) The Owner agrees to pay on demand all of the reasonable out-of-pocket costs and expenses of the Issuer (including the reasonable fees and out-of-pocket expenses of the Issuer's counsel, Bond Counsel, the Bondholder's counsel and local counsel, if any, who may be retained by said counsel) in connection with the preparation,

negotiation, execution, delivery and administration of this Loan Agreement, the Owner Note, the Owner Collateral Documents or the Security for the Bond and all other agreements, certificates, instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith (including all amendments, supplements, modifications, restatements and waivers executed and delivered pursuant hereto or in connection herewith). The Owner further agrees that the Issuer, in its sole discretion, may deduct all such unpaid amounts from the aggregate proceeds of the Owner Note.

(b) The costs, fees, disbursements and expenses that the Issuer incurs with respect to the following shall be part of the Liabilities, payable by the Owner on demand if, at any time after the date of this Loan Agreement, the Issuer: (i) employs counsel for

advice or other representation (A) with respect to the amendment or enforcement of this Loan Agreement, the Owner Note, the Owner Collateral Documents or the Security for the Bond, (B) to represent the Issuer in any work-out or any type of restructuring of the Owner Note or the Bond, or any litigation, contest, dispute, suit or proceeding or to commence, defend or intervene or to take any other action in or with respect to any litigation, contest, dispute, suit or proceeding (whether instituted by the Issuer, the Bondholder, the Owner or any other Person) in any way or respect relating to this Loan Agreement, the Owner Note, the Owner Collateral Documents, the Security for the Bond or the Owner's affairs, or any collateral securing the Liabilities hereunder, or (C) to enforce any of the rights of the Issuer with respect to the Owner; and/or (ii) seeks to enforce or enforces any of the rights and remedies of the Issuer with respect to the Owner. Without limiting the generality of the foregoing, such expenses, costs, charges, disbursements and fees include: reasonable fees, costs, disbursements and expenses of attorneys, accountants and consultants; court costs and expenses; court reporter fees, costs and expenses; long distance telephone charges; and telegram and facsimile charges.

(c) The Owner agrees to pay on demand, and to save and hold the Issuer harmless from all liability for, any stamp or other taxes that may be payable in connection with or related to the execution or delivery of this Loan Agreement, the Owner Note, the Owner Collateral Documents, the Security for the Bond, the Bond or of any other agreements, certificates, instruments or documents provided for herein or delivered or to be delivered hereunder or in connection herewith.

(d) All of the Owner's obligations provided for in this Section 12.4 shall be Liabilities and shall survive repayment of the Bond and the Owner Note, cancellation of the Bond and the Owner Note, or any termination of this Loan Agreement or any related document.

Section 12.5 Exercise of Remedies. No remedy herein conferred upon or reserved to the Issuer or the Bondholder is intended to be exclusive of any other available remedy, but each and every such remedy shall be cumulative and in addition to every other remedy given under this Loan Agreement, the Owner Note, the Owner Collateral Documents or the Security for the Bond, or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Issuer or the Bondholder to exercise any remedy reserved to it in this Article XII, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such

rights and remedies as are given the Issuer hereunder shall also extend to the Bondholder to the extent applicable, and the Bondholder shall be deemed a third-party beneficiary of all covenants and agreements herein contained.

Section 12.6 Default by Issuer; Limited Liability. Notwithstanding any provision or obligation to the contrary herein set forth, no provision of this Loan Agreement shall be construed so as to give rise to a pecuniary liability of the Issuer or a charge upon the general credit of the Issuer. The liability of the Issuer hereunder shall be limited to its interest in this Loan Agreement, the Owner Note, the Owner Collateral Documents and the Security for the Bond, and the Lien of any judgment shall be restricted thereto. In the performance of the agreements of the Issuer herein contained, any obligation it may incur for the payment of money shall not be a debt of the Issuer, and the Issuer shall not be liable on any obligation so incurred. The Issuer does not assume general liability for the repayment of the Bond or for the costs, fees, penalties, taxes, interest, commissions, charges, insurance or any other payments recited herein, and the Issuer shall be obligated to pay the same only out of Revenues. The Issuer shall not be required to do any act whatsoever, or exercise any diligence whatsoever, to mitigate the damages to the Owner if an Event of Default shall occur hereunder.

Section 12.7 Application of Funds. All funds received by the Bondholder are subject to the rights given or action taken under the provisions of Article VII of the Bond Issuance Agreement. Notwithstanding any other provision of this Loan Agreement or the Bond Issuance Agreement to the contrary, funds received by the Bondholder may be applied (a) as long as an Event of Default has not occurred and is not continuing, to the payments and other amounts, if any, then due under the Owner Note or, if all such payments and other amounts, if any, have been paid, the same may be applied as directed by the Owner (subject to the restrictions of the Tax Agreement), and (b) if an Event of Default has occurred and is continuing, as directed and in such order as determined by the Bondholder.

ARTICLE XIII

INDEMNIFICATION

Section 13.1 Indemnification of Issuer and Fiscal Agent.

(a) Except as otherwise provided below, the Issuer and the Fiscal Agent, and each of their officers, agents, independent contractors, employees, successors and assigns, and, in the case of the Issuer, its elected and appointed officials, past, present or future (hereinafter the "Indemnified Persons"), shall not be liable to the Owner for any reason. The Owner shall defend, indemnify and hold the Indemnified Persons harmless from any loss, claim, damage, tax, penalty or expense (including, but not limited to, reasonable counsel fees, costs, expenses and disbursements), or liability (other than with respect to payment of the principal of or interest on the Owner Note) of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from, or in any way connected with: (i) the acquisition, financing, construction, operation, use or maintenance of the Project; (ii) any act, failure to act, or misrepresentation by the Owner or any partner of the Owner, or any Person acting on behalf of, or at the direction of, the Owner or any partner of the Owner, in connection with the issuance, sale or delivery of the Bond; (iii) any false or misleading representation made by the Owner in the Owner Documents; (iv) the breach by the Owner of any covenant contained in the Owner Documents, or the failure of the Owner to fulfill any such covenant which are not cured within all applicable notice and cure

periods; (v) enforcing any obligation or liability of the Owner under this Loan Agreement, the Owner Note, the Owner Collateral Documents, the Security for the Bond or the Owner Documents, or any related agreement; (vi) taking any action requested by the Owner; (vii) taking any action reasonably required by the Owner Documents; or (viii) taking any action considered necessary by the Issuer or the Fiscal Agent, and which is authorized by the Owner Documents. If any suit, action or proceeding is brought against any Indemnified Person, the interests of the Indemnified Person in that suit, action or proceeding shall be defended by counsel to the Indemnified Person or the Owner, as the Indemnified Person shall determine. If such defense is by counsel to the Indemnified Person, the Owner shall indemnify and hold harmless the Indemnified Person for the cost of that defense, including counsel fees, disbursements, costs and expenses. If the Indemnified Persons affected by such suit determine that the Owner shall defend the Indemnified Persons, the Owner shall immediately assume the defense at its own cost. Neither the Indemnified Persons nor the Owner shall be liable for any settlement of any proceeding made without each of their consent. In no event shall the Owner be liable to an Indemnified Person for its own willful misconduct or gross negligence.

(b) Any provision of this Loan Agreement or any other instrument or document executed and delivered in connection therewith to the contrary notwithstanding, the Issuer retains the right to enforce: (i) any applicable federal or state law or regulation or resolution of the Issuer; and (ii) any rights accorded the Issuer by federal or state law or regulation or

resolution of the Issuer, and nothing in this Loan Agreement shall be construed as an express or implied waiver thereof.

(c) If the Indemnified Persons are requested by the Owner to take any action under this Loan Agreement or any other instrument executed in connection herewith for the benefit of the Owner, they will do so if and only if: (i) the Indemnified Persons are a necessary party to any such action; (ii) the Indemnified Persons have received specific written direction from the Owner, as required hereunder or under any other instrument executed in connection herewith, as to the action to be taken by the Indemnified Persons; and (iii) a written agreement of indemnification and payment of costs, liabilities and expenses satisfactory to the Indemnified Persons has been executed by the Owner prior to the taking of any such action by the Indemnified Persons.

(d) The obligations of the Owner under this Section 13.1 shall survive any assignment or termination of this Loan Agreement and, as to the Fiscal Agent, any resignation or removal of the Fiscal Agent.

(e) Indemnification of the Issuer by the Owner with respect to environmental matters shall be governed exclusively by the terms and provisions of the Issuer Environmental Indemnification Agreement.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 [Intentionally Deleted]

Section 14.2 Severability. If any provision of this Loan Agreement shall be held or deemed to be, or shall, in fact, be, inoperative or unenforceable as applied in any particular

case in any jurisdiction or jurisdictions, or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or Sections contained in this Loan Agreement shall not affect the remaining portions of this Loan Agreement, or any part thereof; provided, however, that no holding of invalidity shall require the Issuer to make any payment from any moneys other than Revenues.

Section 14.3 Notices. Any notice, request, complaint, demand, communication or other paper shall be in writing and shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, return-receipt requested, or overnight courier service, addressed as follows:

If to the Issuer: City of Chicago, Illinois Office
of Corporation Counsel City
Hall, Room 600 121 N.
LaSalle Street Chicago,
Illinois 60602

With a copy to: City of Chicago, Illinois
Department of Finance 33 N.
LaSalle Street, Suite 600
Chicago, Illinois 60602
Attention: Comptroller

If to the Owner: Lofts 47 Phase I Limited Partnership
c/o The Community Builders, Inc. 95
Berkeley Street, Suite 500 Boston,
Massachusetts 02116 Attn:
Senior Vice President
Development Operations

And: The Community Builders, Inc.
95 Berkeley Street, Suite 500
Boston, Massachusetts 02116
Attn: General Counsel

With copies to: Applegate & Thorne-Thomsen, P.C.
626 West Jackson Boulevard Suite
400
Chicago, Illinois 60661
Attn: Bennett P. Applegate

And: Hudson SLP LLC
c/o Hudson Housing Capital LLC 630
Fifth Avenue, Suite 2850 New York,
NY 10111 Attn: Joseph A. Macari

If to the Fiscal Agent:

If to the Bondholder: JPMorgan Chase Bank, N.A
Community Development Real Estate
Chase Tower
10 South Dearborn Street
Mail Code IL1-0953
Chicago, Illinois 60603
Attn: Paul Vlamis

With copies to:

At the address shown in the books of the Bond Registrar

JPMorgan Chase Bank, N.A
Community Development Real Estate
Chase Tower
10 South Dearborn Street
Mail Code IL1-0953
Chicago, Illinois 60603
Attn: Paul Vlamis

And: Dykema Gossett PLLC
10 South Wacker Drive, Suite 2300
Chicago, Illinois 60606 Attn: Derek L.
Cottier

A duplicate copy of each notice required to be given hereunder by the Bondholder or the Fiscal Agent to the Issuer or the Owner shall also be given to the others. The Issuer, the Owner, the Fiscal Agent and the Bondholder may designate any further or different addresses to which subsequent notices, requests, complaints, demands, communications and other papers shall be sent.

Section 14.4 Assignments. Except as otherwise expressly provided herein, this Loan Agreement may not be assigned by any party without the consent of the other and the Bondholder, except that the Issuer shall assign to the Bondholder certain of its rights under this Loan Agreement as provided by Section 4.2 hereof, and the Bondholder may assign such rights to its successors and assigns as owner of the Bond.

Section 14.5 Counterparts. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument; provided, however, that for purposes of perfecting a security interest in this Loan Agreement under Article 9 of the Illinois Uniform Commercial Code, only the counterpart delivered, pledged and assigned to the Bondholder shall be deemed the original.

Section 14.6 Amounts Remaining in the Bond Issuance Agreement Funds. It is agreed by the parties hereto that after payment in full of: (a) the principal of and interest on the Bond (or provision for payment thereof having been made in accordance with the provisions of the Bond Issuance Agreement); (b) the fees, charges, disbursements, costs and expenses of the Bondholder and the Fiscal Agent in accordance with the Bond Issuance Agreement; and (c) all other amounts required to be paid under this Loan Agreement, the Owner Note and the Bond Issuance Agreement, then any amounts remaining in any of the Funds or Accounts created under the Bond Issuance Agreement shall be paid by the Fiscal Agent as follows: (i) first, to the

Section 14.7 Amendments, Changes and Modifications. Subsequent to the initial issuance of the Bond and prior to its payment in full (or provision for payment thereof having been made in accordance with the provisions of the Bond Issuance Agreement), this Loan Agreement may not be effectively amended, changed, modified, altered or terminated without the written consent of the Bondholder and, with respect to the Issuer Reserved Rights, the Issuer.

Section 14.8 Governing Law; Jury Trial. This Loan Agreement and the Owner Note, and the rights and obligations of the parties hereunder and thereunder, shall be construed in accordance with, and shall be governed by, the laws of the State of Illinois, without regard to its conflict of laws principles.

THE OWNER HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS LOAN AGREEMENT OR THE OWNER NOTE, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED, OR WHICH MAY IN THE FUTURE BE DELIVERED, IN CONNECTION HERewith OR THEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS LOAN AGREEMENT OR THE OWNER NOTE, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

THE OWNER IRREVOCABLY AGREES THAT, SUBJECT TO THE ISSUER'S SOLE AND ABSOLUTE ELECTION, ANY ACTION OR PROCEEDING IN ANY WAY, MANNER OR RESPECT ARISING OUT OF THIS LOAN AGREEMENT, THE OWNER NOTE, THE OWNER COLLATERAL DOCUMENTS AND THE SECURITY FOR THE BOND, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR ARISING FROM ANY DISPUTE OR CONTROVERSY ARISING IN CONNECTION WITH OR RELATED TO THIS LOAN AGREEMENT, THE OWNER NOTE, THE OWNER COLLATERAL DOCUMENTS AND THE SECURITY FOR THE BOND, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, SHALL BE LITIGATED ONLY IN THE COURTS HAVING SITUS WITHIN THE CITY OF CHICAGO, STATE OF ILLINOIS, AND THE OWNER HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SUCH CITY AND STATE. THE OWNER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT IN ACCORDANCE WITH THIS SECTION.

Section 14.9 Term of Loan Agreement. This Loan Agreement shall be in full force and effect from the date hereof, and shall continue in effect until the indefeasible payment in full of all Liabilities. All representations, certifications and covenants by the Owner as to the indemnification of various parties (including, without limitation, the Issuer and the Issuer Indemnified Persons) and the payment of fees and expenses of the Issuer as described herein, and all matters affecting the tax-exempt status of the Bond shall survive the termination of this Loan Agreement and the payment in full of the Owner Note and the Bond.

Section 14.10 Bond Issuance Agreement Provisions. The Bond Issuance Agreement provisions concerning the Bond and the other matters therein are an integral part of the terms and conditions of the Loan made by the Issuer to the Owner pursuant to this Loan Agreement, and the execution of this Loan Agreement shall constitute conclusive evidence of approval of the Bond Issuance Agreement by the Owner to the extent it relates to the Owner and the Project. Additionally, the Owner agrees that, whenever the Bond Issuance Agreement by its terms imposes a duty or obligation upon the Owner, such duty or obligation shall be binding upon the Owner to the same extent as if the Owner were an express party to the Bond Issuance

Agreement, and the Owner hereby agrees to carry out and perform all of its obligations under the Bond Issuance Agreement as fully as if the Owner were a party to the Bond Issuance Agreement.

Section 14.11 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Issuer and the Owner, and their respective successors and assigns; subject, however, to the limitations contained in Section 4.2 hereof.

Section 14.12 Immunity of Issuer's Officers. No recourse shall be had for the payment of any principal of or interest on the Bond, or for any obligation, covenant or agreement contained in this Loan Agreement, against any past, present or future officer, member, supervisor, director, agent or employee of the Issuer, or any successor entity, as such, either directly or through the Issuer or any such successor entity, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officer, member, supervisor, director, agent or employee as such is hereby expressly waived and released as a condition of, and in consideration for, the execution and delivery of this Loan Agreement.

Section 14.13 Participations.

(a) The Owner acknowledges that the Bondholder shall have the right to grant participations in the Bond and the Owner Note, pursuant to the Bond Issuance Agreement, all without notice to or consent from the Owner. No holder of a participation in the Bond or the Owner Note shall have any rights under this Loan Agreement.

(b) The Owner hereby consents to the disclosure of any information obtained in connection herewith by the Issuer to any Person which is a participant or potential participant pursuant to clause (a) above, it being understood that the Issuer and its assigns shall advise any such Person of its obligation to keep confidential any nonpublic information disclosed to it pursuant to this Section 14.13. The Issuer shall advise the Owner of each Person which becomes a participant pursuant to clause (a) above.

Section 14.14 Waivers. If any agreement contained in this Loan Agreement should be breached by the Owner and thereafter waived in writing by the Issuer or the Bondholder, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. For any waiver hereunder to be effective, such waiver shall be in writing and signed by an authorized representative of the party granting the waiver.

Section 14.15 Patriot Act Notification.

(a) As of the date of this Loan Agreement the Owner is, and during the term of this Loan Agreement the Owner shall remain, in full compliance with all the applicable laws and regulations of the United States of America that prohibit, regulate or restrict

financial transactions, including, but not limited to, conducting any activity or failing to conduct any activity, if such action or inaction constitutes a money laundering crime, including any money laundering crime prohibited under the Money Laundering Control Act, 18 U.S.C. 1956, 1957, or the Bank Secrecy Act, 31 U.S.C. 5311 et seq. and any amendments or successors thereto and any applicable regulations promulgated thereunder.

(b) The Owner represents and warrants that: (a) neither it, nor any of its partners, or any officer, director or employee, is named as a "Specially Designated National and Blocked Person" as designated by the United States Department of the Treasury's Office of Foreign Assets Control, or as a person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; (b) it is not owned or controlled, directly or indirectly, by the

government of any country that is subject to a United States Embargo; and (c) it is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by the United States Treasury Department as a "Specially Designated National and Blocked Person," or for or on behalf of any person, group, entity or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that it is not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity or nation.

(c) The Owner acknowledges that it understands and has been advised by its own legal counsel as to the requirements of the applicable laws referred to above, including the Money Laundering Control Act, 18 U.S.C. 1956, 1957, the Bank Secrecy Act, 31 U.S.C. 5311 et seq., the applicable regulations promulgated thereunder, and the Foreign Assets Control Regulations, 31 C.F.R. Section 500 et seq.

Section 14.16 Entire Agreement. This Loan Agreement, together with the Owner Note, the Owner Collateral Documents, the Security for the Bond, the Bond, the Assignment and the Bond Issuance Agreement, constitutes the entire agreement among the parties with respect to the subject matter hereof, and supersedes all written or oral understandings with respect thereto.

[Signatures Appear on Following Page]

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IN WITNESS WHEREOF, the parties have executed this instrument as of the date first above written.

CITY OF CHICAGO

(SEAL)

ATTEST:

By: _____
Lois A. Scott, Chief Financial Officer

Susana A. Mendoza, City Clerk

LOFTS 47 PHASE I LIMITED PARTNERSHIP, an
Illinois limited partnership

By: Lofts 47 Phase I, Inc., an Illinois corporation Its:
General Partner

By:_____
Name:
Title:

Acknowledged and agreed to:

JPMORGAN CHASE BANK, N.A.,
as Bondholder

By:_____
Name: Paul C. Vlamis Title:
Authorized Officer

[LOAN AGREEMENT]

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NON-RECOURSE ASSIGNMENT

With the exception of the Issuer Reserved Rights, the interest of the CITY OF CHICAGO in this Loan Agreement and all amounts receivable hereunder have been assigned, without recourse, to JPMORGAN CHASE BANK, NA., the registered owner of the Bond. For purposes of Article 9 of the Illinois Uniform Commercial Code, the counterpart of this Loan Agreement pledged, delivered and assigned to the Bondholder shall be deemed the original.

CITY OF CHICAGO

By:

C/141259.10

EXHIBIT A
PROMISSORY NOTE

\$ _____, 20__

FOR VALUE RECEIVED, LOFTS 47 PHASE I LIMITED PARTNERSHIP, an Illinois limited partnership (the "Borrower"), promises to pay to the order of the CITY OF CHICAGO, ILLINOIS, a municipal corporation and home rule unit of local government under the Constitution and laws of the State of Illinois (the "Issuer", Issuer and any subsequent holder hereof, the "Holder"), at such place as the Holder hereof may from time to time designate in writing, the principal sum of _____ Dollars (\$ _____), or so much thereof as shall from time to time be disbursed hereunder, together with accrued interest from the date of disbursement on the unpaid principal at the rate set forth herein.

This Promissory Note (as the same may at any time be amended or modified and in effect, the "Note") is the Owner Note described in, and is subject to the terms and provisions of, that certain Loan Agreement dated of even date herewith (as the same may at any time be amended or modified and in effect, the "Loan Agreement"), by and between the Issuer and the Borrower, and payment of this Promissory Note is secured as described in (i) the Loan Agreement, and (ii) that certain Bond Issuance Agreement dated of even date herewith (as the same may at any time be amended or modified and in effect, the "Bond Issuance Agreement") by and between the Issuer and JPMorgan Chase Bank, N.A., a national banking association (the "Bank"), as

Bondholder and Fiscal Agent. The provisions of the Loan Agreement are incorporated herein by reference with the same force and effect as if fully set forth herein.

The interest of the Issuer in this Note and, subject to the Issuer Reserved Rights (as defined in the Bond Issuance Agreement), the Loan Agreement, shall be assigned to the Bank concurrently with execution by the Borrower of this Note pursuant to the terms of the Bond Issuance Agreement, the Loan Agreement and that certain Assignment and Security Agreement of even date herewith by the Issuer to the Bank. Upon such assignment, the Bank shall be the Holder hereunder.

1. Definitions. In addition to the terms defined in the Recitals to this Note, the following terms as used in this Note shall have the following meanings:

The term "Adjusted LIBO Rate" means with respect to any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next one-sixteenth of one percent) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate.

The term "Adjusted One Month LIBO Rate" means an interest rate per annum equal to the sum of (i) 2.5% per annum plus (ii) the Adjusted LIBO Rate for a one month Interest Period on such day (or if such day is not a Business Day, the immediately preceding Business Day); provided, that, for the avoidance of doubt, the Adjusted LIBO Rate for any day shall be based on the rate appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page) at approximately 11:00 a.m. London time on such day (without any rounding).

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The term "Alternate Rate" means a per annum rate equal to the Prime Rate plus 0.5 percent (0.5%); provided, that (i) the Alternate Rate shall never be less than the Adjusted One Month LIBO Rate plus 0.5 percent (0.5%), and (ii) the Alternate Rate shall never be greater than the Maximum Rate. Any change in the Alternate Rate due to a change in the Prime Rate or the Adjusted One Month LIBO Rate shall be effective from and including the effective date of such change in the Prime Rate or the Adjusted One Month LIBO Rate, respectively.

The term "Bank Loan Agreement" means that certain Construction and Permanent Loan Agreement dated as of _____ by and between Bank and Borrower, as the same may be amended, modified or supplemented from time to time.

The term "Business Day" means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; and when used in connection with an advance of the principal amount of this Note or any other provision hereof relating to the Interest Rate, the term "Business Day" shall also exclude any day on which banks are not open for dealings in U.S. dollar deposits in the London interbank market.

The term "Change in Law" means (i) the adoption of any law, rule or regulation, (ii) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Note, or (iii) compliance by the Holder (or any applicable lending office of the Holder) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Note; provided, however, that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith shall be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued, and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, Basel Community on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory

authorities, in each case pursuant to Basel III, shall in each case be deemed a "Change in Law" regardless of the date enacted, adopted, issued or implemented.

The term "Collateral" has the meaning given to such term in Section 13 of this Note.

The term "Event of Default" means any default or events of default described in Section 17 of this Note.

The term "Interest Rate" means, for each Interest Period, the sum of the applicable Adjusted LIBO Rate plus three percent (3.0%) per annum, but in no event a rate per annum greater than the Maximum Rate.

The term "Governmental Authority" means the Government of the United States of America, any other nation or any other political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

The term "Interest Period" means with respect to any advance of the principal amount of this Note, the period commencing on the date of such advance and ending on the

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numerically corresponding day in the calendar month which is one month thereafter, provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless the next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, and (iii) no Interest Period shall extend beyond the Maturity Date (as it may be extended). For purposes hereof, the date of an advance initially made shall be the date on which such advance is made and, thereafter shall be the effective date of the most recent continuation of such advance.

The term "Liabilities" has the meaning given to such term in the Loan Agreement.

The term "LIBO Rate" means with respect to any advance of the principal amount of this Note for any Interest Period, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page thereof, or any successor to or substitute for such page, providing rate quotations comparable to those currently provided on such page, as determined by the Holder from time to time for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, as the rate for dollar deposits with a maturity comparable to such Interest Period. In the event that such rate is not available at any time for any reason, then the "LIBO Rate" with respect to such advance for such Interest Period shall be the rate at which dollar deposits of \$5,000,000.00 and for maturity comparable to such Interest Period are offered by the principal London office of JPMorgan Chase Bank, N.A. in immediately available funds in the London interbank market at approximately 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period.

The term "Loan" means the loan made by the Holder to the Borrower in the stated principal amount of _____ Dollars (\$ _____) to be advanced in accordance with the provisions of the Loan Agreement and the Bank Loan Agreement, which loan is evidenced by this Note and secured by the Mortgage and the Owner Collateral Documents.

The term "Maturity Date" means _____, 20 __, as the same may be extended to _____, 20 __ pursuant to the terms of the Loan Agreement.

The term "Maximum Rate" means twelve percent (12%) per annum.

The term "Mortgage" means the Mortgage, as defined in the Loan Agreement.

The term "Owner Collateral Documents" has the meaning given to such term in the Bond Issuance Agreement.

The term "Past Due Rate" means a rate per annum equal to four percent (4.0%) plus the Interest Rate (or, if applicable, the Alternate Rate), but in no event greater than the Maximum Rate.

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The term "Payment Date" means the [first (1st / tenth (10th))] day of each month.

The term "Prime Rate" means the rate of interest per annum publicly announced from time to time by JPMorgan Chase Bank, N.A. as its prime rate; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective. The Prime Rate is a reference rate and is not necessarily the lowest rate. If JPMorgan Chase Bank, N.A. ceases to exist or to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in The Wall Street Journal (or the average prime rate if a high and a low prime rate are therein reported), and the Prime Rate shall change without notice with each change in such prime rate as of the date such change is reported.

The term "Principal Balance" means the outstanding principal balance of this Note from time to time.

The term "Statutory Reserve Rate" means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board of Governors of the Federal Reserve System to which the Holder is subject, with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Advances of the principal amount of this Note shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without the benefit of credit for proration, exemption or offsets that may be available from time to time under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

2. Payments of Principal and Interest. The Principal Balance, together with interest on the unpaid Principal Balance computed from the date of each advance until paid, shall be calculated and paid as follows:

(a) Interest on the Principal Balance calculated in the manner set forth below shall be due and payable on each Payment Date during the term of this Note commencing on _____ [1 / 10], 20 ____ and continuing on each Payment Date until the Principal Balance shall be paid in full.

(b) Unless otherwise agreed to, in writing, or otherwise required by applicable law, payments shall be applied first to accrued, unpaid interest, then to principal, and any remaining amount to any unpaid collection costs, late charges and other charges, provided, however, upon an Event of Default, the Holder reserves the right to apply payments among principal, interest, late charges, collection costs and other charges at its sole discretion. Any prepayments shall be applied to the indebtedness owing hereunder in such order and manner as the Holder from time to time determines in its sole discretion. The amount of the Principal Balance of this Note outstanding from time to time as shown on the records of the Holder shall be conclusive absent manifest error as to such amount.

(c) If any payment under this Note is due and payable on a day which is not a Business Day, such payment shall be made on the next succeeding Business Day and any

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"such extension of time shall be included in the computation of the payment of interest on this Note. All payments of principal and interest under this Note shall be made without deduction of any present or future taxes, levies, imposts, duties, fees, assessments, withholdings or other charges, which amounts shall be paid by the Borrower, and without any other setoff or counterclaim of any kind.

(d) The entire Principal Balance, together with all interest accrued and unpaid thereon and all other sums due under this Note shall be due and payable on the Maturity Date.

3. [Intentionally Deleted].

4. Prepayment.

(a) Upon notice as provided in subsection 4(b) below, the Borrower may prepay, in whole or in part, without premium or penalty but subject to payment of any Break Funding Payment, on any Business Day, the principal amount of this Note then outstanding. This Note is subject to mandatory prepayment, without premium or penalty but subject to payment of any Break Funding Payment, prior to the Maturity Date in accordance with Section 3.1(b) of the Loan Agreement. Any amounts prepaid hereunder may not be reborrowed.

(b) The Borrower shall notify the Holder by telephone (confirmed by telecopier) of any prepayment, not later than 11:00 a.m. prevailing Central time, five (5) Business Days before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount to be prepaid. Any prepayment shall be accompanied by accrued interest on the amount prepaid, plus any other amounts due under Section 8 of this Note, plus, in the case of prepayment on other than the last day of an Interest Period, an administrative fee of Two Hundred Fifty Dollars (\$250.00).

5. Interest.

(a) The Principal Balance shall bear interest at the Interest Rate.

(b) Notwithstanding the foregoing, from and after the occurrence of an Event of Default (as hereinafter defined), all amounts due hereunder shall bear interest, after as well as before judgment, at a rate per annum equal to the Past Due Rate.

(c) Accrued interest on the Principal Balance shall be payable in arrears on each Payment Date and upon maturity of the Loan; provided that interest accrued pursuant to paragraph (b) of this Section 5 shall be payable on demand.

(d) All interest hereunder shall be computed on the basis of a year of 360 days, and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The Interest Rate (or, if applicable, the Alternate Rate) shall be

determined by the Holder and such determination shall be conclusive and binding upon the Borrower absent manifest error.

6. Alternate Rate of Interest. If prior to the commencement of any Interest Period:

(a) the Holder determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or

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(b) the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to the Holder of making or maintaining the advance of proceeds of this Note for such Interest Period;

then the Holder shall give notice thereof to the Borrower by telephone or facsimile as promptly as practical thereafter and, until the Holder notifies the Borrower that the circumstances giving rise to such notice no longer exist, any advance, or continuation of an advance, shall bear interest at the Alternate Rate.

7. Increased Costs.

(a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, the Holder (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on the Holder or the London interbank market any other condition affecting this Note or borrowings made by the Holder using the LIBO Rate;

and the result of any of the foregoing shall be to increase the cost to the Holder of making or maintaining any LIBO Rate borrowing (or of maintaining its obligation to make any such borrowing) or to increase the cost or to reduce the amount of any sum received or receivable by the Holder (whether of principal, interest or otherwise), then the Borrower will pay to the Holder such additional amount or amounts as will compensate the Holder for such additional costs incurred or reduction suffered.

(b) If the Holder determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on the Holder's capital or on the capital of the Holder's holding company, if any, as a consequence of this Note or the Loan made by the Holder to a level below that which the Holder or the Holder's holding company could have achieved but for such Change in Law (taking into consideration the Holder's policies with respect to capital adequacy), then from time to time the Borrower will pay to the Holder, such additional amount or amounts as will compensate the Holder or the Holder's holding company for any such reduction suffered.

(c) A certificate of the Holder setting forth the amount or amounts necessary to compensate the Holder or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the Holder, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Failure or delay on the part of the Holder to demand compensation pursuant to this Section shall not constitute a waiver of the Holder's right to demand such compensation; provided that the Borrower shall not be required to compensate the Holder pursuant to this Section for any increased costs or reductions incurred more than 270 days prior to the date that the Holder notifies the Borrower of the Change in Law giving rise to such increased

costs or reductions and of the Holder's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

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8. Break Funding Payments. During such time as the Interest Rate (or the Past Due Rate utilizing the Interest Rate as its base) shall be the governing interest rate under this Note, in the event of (a) the payment of any principal other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) a conversion to the Alternate Rate other than on the last day of the Interest Period applicable to the amount so converted, or (c) the failure to borrow, continue or prepay any advance of the proceeds of the Loan on the date specified in any notice delivered pursuant to the Loan Agreement or pursuant to the Bank Loan Agreement, then, in any such event, the Borrower shall compensate the Holder for the loss, cost and expense attributable to such event. Such loss, cost or expense to the Holder shall be deemed to include an amount determined by the Holder to be the excess, if any, of (i) the amount of interest which would have accrued on the applicable principal amount had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such amount, for the period from the date of such event to the last day of the then current Interest Period for such amount (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such amount), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which the Bondholder would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of the Holder setting forth any amount or amounts that the Holder is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay the Holder the amount shown as due on any such certificate (any such amount due, a "Break Funding Payment") within ten (10) days after receipt thereof.

9. Electronic Notices. Notices of prepayments under Section 4 may be made by electronic communication (including e-mail and internet or intranet websites) pursuant to procedures approved by the Holder. Such approval may be limited to particular notices or communications.

Unless the Holder otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an internet or intranet website shall be deemed received upon the "receipt" by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

The Borrower and the Holder may change the address or telecopier number or e-mail address for notices and other communications hereunder by notice to the other.

10. Late Fee. If any payment required under this Note is not paid within ten (10) days after such payment is due, then, at the option of the Holder, the Borrower shall pay a late charge equal to five percent (5.0%) of the amount of such payment to compensate the Holder for administrative expenses and other costs of delinquent payments. This late charge may be assessed without notice, shall be immediately due and payable and shall be in addition to all other rights and remedies available to the Holder.

11. Payments Generally. The Borrower shall make each payment required to be made by it hereunder (whether principal, interest or fees, or otherwise) prior to 11:00 a.m. prevailing Central time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Holder, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Holder at its offices at [700 North Pearl Street, 7th Floor, TX1-2625, Dallas, Texas, 75201] or such other place as may be designated by written notice to the Borrower from or on behalf of the Holder. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments made hereunder shall be made in US dollars.

12. Indemnity.

(a) Anything in this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or any of the Owner Collateral Documents to the contrary notwithstanding, the Borrower shall indemnify and hold the Holder harmless and defend the Holder at the Borrower's sole cost and expense against any loss or liability, cost or expense (including, without limitation, reasonable attorneys' fees and disbursements of the Holder's counsel, whether in-house staff, retained firms or otherwise), and all claims, actions, procedures and suits arising out of or in connection with:

(i) any ongoing matters arising out of this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage, any of the Owner Collateral Documents or the transaction contemplated hereby or thereby, including, but not limited to, all costs of appraisal or reappraisal of all or any portion of any collateral for the Liabilities or of the granting by the Holder, in its sole and absolute discretion, of any lease non-disturbance agreements (except for any such matters arising from a default by Holder of any of its obligations under any such documents),

(ii) any amendment to, or restructuring of, the Liabilities, this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or any of the Owner Collateral Documents,

(iii) any and all lawful action that may be taken by the Holder in connection with the enforcement of the provisions of this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or any of the Owner Collateral Documents, whether or not suit is filed in connection with the same, or in connection with the Borrower, any guarantor of all or any portion of the Liabilities and/or any partner, joint venturer or shareholder thereof becoming a subject of a voluntary or involuntary federal or state bankruptcy, insolvency or similar proceeding, and

(iv) any liability to brokers, finders or similar persons and/or under any applicable securities or blue sky laws.

All sums expended by the Holder on account of any of the foregoing shall be reimbursable on demand, and until reimbursed by the Borrower pursuant hereto, shall be deemed additional principal evidenced hereby and shall bear interest at the default interest rate hereinbelow set forth. The obligations of the Borrower under this Section shall, notwithstanding any exculpatory or other provisions of any nature whatsoever which may be set forth herein, or in the Loan

Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents, constitute the personal recourse undertakings, obligations and liabilities of the Borrower and shall be secured by the Mortgage and the Owner Collateral Documents.

(b) The Borrower shall indemnify the Holder against any loss or expense that it may sustain or incur as a consequence of any failure by the Borrower to take down all or any portion of the Loan on the date the Borrower requested that the Loan be advanced or as a consequence of any default by the Borrower in the payment of any portion of the Principal Balance of this Note as and when due and payable, or the occurrence of any default or Event of Default under this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents, including, but not limited to, any loss or expense sustained or incurred by the Holder in liquidating or reemploying deposits from third parties acquired to effect or maintain the Interest Rate with respect to the Principal Balance hereof. The Holder shall provide to the Borrower a statement explaining the amount of any such loss or expense, which statement shall be conclusive and binding upon the Borrower absent manifest error.

13. Secured Note. This Note is secured by the Mortgage and the Owner Collateral Documents and the collateral mortgaged, pledged, encumbered or assigned pursuant thereto (the "Collateral"). The Borrower agrees to perform and comply with each of the terms, covenants and provisions contained in the Mortgage, the Loan Agreement, the Bank Loan Agreement and the Owner Collateral Documents on the part of the Borrower to be observed or performed and which are hereby made part of this Note to the same extent and with the same force and effect as if they were fully set forth herein. All sums which shall or may become due and payable by the Borrower in accordance with the provisions of this Note shall under all circumstances be deemed to constitute additional interest on, and shall be evidenced by this Note, shall be secured by the Mortgage and the Owner Collateral Documents and shall constitute part of the Liabilities.

14. Transfer. Upon the transfer of this Note, the Holder may deliver all the Collateral, or any part thereof, to the transferee who shall thereupon become vested with all the rights herein or under applicable law given to the Holder with respect thereto, and the Holder shall thereafter forever be relieved and fully discharged from any liability or responsibility in the matter; but the Holder shall retain all rights hereby given to it with respect to any Liabilities (hereinbelow defined) and such collateral not so transferred. The Holder will provide the Borrower with notice of any such transfer.

15. Maximum Permissible Rate. This Note is subject to the express condition that at no time shall the Borrower be obligated or be required to pay interest on the Principal Balance at a rate which could subject the Holder to liability as a result of being in excess of the maximum rate which the Borrower is permitted by law to contract or agree to pay. If by the terms of this Note the Borrower is at any time required or obligated to pay interest on the Principal Balance at a rate in excess of such maximum rate, then the rate of interest under this Note shall be deemed to be immediately reduced to such maximum rate, interest payable hereunder shall be computed at such maximum rate and any prior interest payments made in excess of such maximum rate shall be applied and shall be deemed to have been payments made in reduction of the Principal Balance.

16. Set Off. In addition to any right available to the Holder under applicable law or any other agreement, the Borrower hereby gives to the Holder a lien on, security interest in and right of set-off against all moneys, securities and other property of the Borrower and the proceeds thereof, now or hereafter delivered to, remaining with or in transit in any manner to the

Holder, its correspondents or its agents from or for the Borrower, whether for safekeeping, custody, pledge, transmission, collection or otherwise or coming into possession of the Holder in any way, and also, any balance of any deposit account and credits of the Borrower with, and any and all claims of the Borrower against, the Holder at any time existing, as collateral security for the payment of this Note and the Liabilities, hereby authorizing the Holder at any time or times, after

an Event of Default without prior notice, to apply such balances, credits or claims, or any part thereof, to such Liabilities in such amounts as it may select, whether contingent, unmatured or otherwise and whether any collateral security therefor is deemed adequate or not. The collateral security described herein shall be in addition to any collateral security described in any separate agreement executed by the Borrower. The Holder, in addition to any right available to it under applicable law or any other agreement, shall have the right, at its option, to immediately set off against this Note and/or any other Liabilities all monies owed by the Holder in any capacity to the Borrower, whether or not due, and the Holder shall, at its option, be deemed to have exercised such right to set off and to have made a charge against any such money immediately upon the occurrence of any default or Event of Default even though such charge is made or entered on the books of the Holder subsequent to those events.

17. Events of Default. The failure of Borrower (a) to pay (i) any installment of principal or interest payable pursuant to this Note within ten (10) days after the date when due, or (ii) any other amount payable to Holder under this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or any Other Loan Document within ten (10) days after the date when any such payment is due in accordance with the terms hereof or thereof, or (b) the occurrence of any Event of Default as defined in the Loan Agreement, the Bank Loan Agreement, the Mortgage or any Owner Collateral Document, shall constitute an event of default (an "Event of Default") hereunder. All of the terms, covenants and provisions contained in the Loan Agreement, the Bank Loan Agreement, the Mortgage and the Owner Collateral Documents which are to be kept and performed by the Borrower are hereby made part of this Note to the same extent with the same force and effect as if they were fully set forth herein. Any partner of Borrower may cure a default by Borrower hereunder on the same terms as Borrower.

18. Acceleration. At any time during the existence of any Event of Default, at the option of Holder, the entire unpaid principal balance evidenced by this Note, together with interest accrued thereon and all other sums due from Borrower hereunder, under the Loan Agreement or the Mortgage, or under any Owner Collateral Document, shall become immediately due and payable without notice. Failure to exercise this option with respect to any Event of Default shall not constitute a waiver of the right to exercise same in the event of any subsequent Event of Default.

19. Default Interest. Upon the occurrence of an Event of Default, the Borrower shall, unless and until such date, if any, as the Holder may elect, in its sole and absolute discretion, to waive, in writing, all or any portion of such interest, pay interest on the Principal Balance from the date of such default until the date on which the Principal Balance then outstanding is paid in full (whether before or after judgment), at a rate per annum (calculated for the actual number of days elapsed on the basis of a 360-day year) equal to the Past Due Rate (provided, however, that such Past Due Rate shall relate back to the date of such default). The Past Due Rate shall in no event exceed the maximum interest rate which the Borrower may by law pay. Holder, at its option, also may, if permitted under applicable law, add any unpaid accrued interest to principal and such sum will bear interest from and after such date until paid at the rate provided in this Note (including any increased rate).

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20. Authority. The Borrower (and the undersigned representative(s) of the Borrower, if any) represents that the Borrower has full power, authority and legal right to execute and deliver this Note and that this Note constitutes a valid and binding obligation of the Borrower.

21. Joint and Several Obligations. If the Borrower consists of more than one party, the obligations and liabilities of each such party hereunder shall be joint and several.

22. Defined Terms. Whenever used, the singular number shall include the plural, the plural the singular, and the words "Holder" and "Borrower" shall include their respective successors and assigns, provided, however, that the Borrower shall in no event or under any circumstance have the right, without obtaining the prior written consent of the Holder, to assign or transfer its obligations under this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents, in whole or in part, to any other person, party or entity.

23. Headings. The headings and captions of the numbered paragraphs of this Note are for convenience of reference only and are not to be construed as defining or limiting, in any way, the scope or intent of the provisions hereof.

24. Enforceability. The Borrower acknowledges that this Note and the Borrower's obligations under this Note are and shall at all times continue to be absolute and unconditional in all respects, and shall at all times be valid and enforceable irrespective of any other agreements or circumstances of any nature whatsoever which might otherwise constitute a defense to this Note and the obligations of the Borrower under this Note or the obligations of any other person or party relating to this Note or otherwise with respect to the Loan. This Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage, the Owner Collateral Documents and the other documents specifically set forth in Section 14.16 of the Loan Agreement set forth the entire agreement and understanding of the Holder and the Borrower with respect to the Loan, and the Borrower absolutely, unconditionally and irrevocably waives any and all right to assert any setoff, counterclaim or crossclaim of any nature whatsoever with respect to this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage and the Owner Collateral Documents or the obligations of the Borrower hereunder and thereunder, or the obligations of any other person or party relating hereto and thereto or to the obligations of the Borrower hereunder or thereunder or otherwise with respect to the Loan, in any action or proceeding brought by the Holder to collect the Liabilities, or any portion thereof, or to enforce, foreclose and realize upon the liens and security interests of the Holder in any collateral therefor created by the Mortgage or the Owner Collateral Documents (provided, however, that the foregoing shall not be deemed a waiver of the Borrower's right to assert any compulsory counterclaim maintained in a court of the United States, or of the State of Illinois if such counterclaim is compelled under local law or rule of procedure, nor shall the foregoing be deemed a waiver of the Borrower's right to assert any claim which would constitute a defense, setoff, counterclaim or crossclaim of any nature whatsoever against the Holder in any separate action or proceeding). The Borrower acknowledges that no oral or other agreements, conditions, promises, understandings, representations or warranties exist with respect to this Note or with respect to the obligations of the Borrower under this Note, except those specifically set forth in this Note.

25. Waiver. The Borrower waives presentment, demand for payment, notice of dishonor and any or all notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note (except as expressly provided herein) and consents to any or all delays, extensions of time, renewals, release of any party to this Note, the

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Loan Agreement, the Bank Loan Agreement, the Mortgage or any Other Loan Document, and of any available security therefor, to any party to this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents or to the actual holder thereof and any and all waivers or modifications that may be granted or consented to by the Holder with regard to the time of payment or with respect to any other provisions of this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents, and agrees that no such action, delay or failure to act on the part of the Holder shall be construed as a waiver by the Holder of, or otherwise affect, in whole or in part, its right to avail itself of any remedy with respect thereto. No notice to or demand on the Borrower shall be deemed to be a waiver of the obligation of the Borrower or of the right of the Holder to take further action without further notice or demand as provided in this Note, the Loan Agreement, the Bank Loan Agreement, the Mortgage or the Owner Collateral Documents. If the Borrower is a partnership, the agreements herein contained shall remain in force and applicable, notwithstanding any changes in the individuals comprising

the partnership, and the term "Borrower", as used herein, shall include any alternate or successor partnerships, but any predecessor partnership and their partners shall not thereby be released from any liability. (Nothing in the foregoing sentence shall be construed as a consent to, or a waiver of, any prohibition or restriction on transfers of interests in such partnership which may be set forth in the Mortgage, the Loan Agreement, the Bank Loan Agreement or any Owner Collateral Document.)

26. Amendments. This Note may not be modified, amended, changed or terminated orally, except by an agreement in writing signed by the Borrower and the Holder. No waiver of any term, covenant or provision of this Note shall be effective unless given in writing by the Holder and, if so given by the Holder, shall only be effective in the specific instance in which given.

27. Governing Law. This Note is and shall be deemed entered into in the State of Illinois and shall be governed by and construed in accordance with the laws of the State of Illinois without regard to principles of conflicts of laws, and no defense given or allowed by the laws of any state or country shall be interposed in any action or proceeding hereon unless such defense is either given or allowed by the laws of the State of Illinois.

28. Business Purpose Loan. The proceeds of the loan evidenced by this Note will be used solely for the purposes specified in 815 ILCS 205/4, as amended, and the principal sum advanced is for a "business loan" which comes within the purview of such section. Borrower acknowledges that the obligation evidenced by this Note is an exempted transaction under the Truth In Lending Act, 15 U.S.C, Section 1601, et seq.

29. Venue and Jurisdiction. THE BORROWER IRREVOCABLY AGREES THAT, SUBJECT TO THE HOLDER'S SOLE AND ABSOLUTE ELECTION, ANY ACTION OR PROCEEDING IN ANY WAY, MANNER OR RESPECT ARISING OUT OF THIS NOTE, THE LOAN AGREEMENT, THE BANK LOAN AGREEMENT OR THE OWNER COLLATERAL DOCUMENTS, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HEREWITH OR THEREWITH, OR ARISING FROM ANY DISPUTE OR CONTROVERSY ARISING IN CONNECTION WITH OR RELATED TO THIS NOTE, THE LOAN AGREEMENT, THE BANK LOAN AGREEMENT OR THE OWNER COLLATERAL DOCUMENTS, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, SHALL BE LITIGATED ONLY IN THE COURTS HAVING SITUS WITHIN THE CITY OF CHICAGO, STATE OF ILLINOIS, AND THE OWNER HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN SUCH CITY AND STATE.

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THE OWNER HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY LITIGATION BROUGHT AGAINST IT IN ACCORDANCE WITH THIS SECTION.

30. Waiver of Special Damages. To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against the Holder, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Note or any agreement or instrument contemplated hereby, the transactions, the Loan or the use of the proceeds thereof.

31. Waiver of Jury Trial. THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING (I) TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR IN CONNECTION WITH THIS NOTE, THE LOAN AGREEMENT, THE BANK LOAN AGREEMENT OR THE OWNER COLLATERAL DOCUMENTS, OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED, OR WHICH MAY IN THE FUTURE BE DELIVERED, IN CONNECTION HEREWITH OR THEREWITH, OR (II) ARISING FROM ANY DISPUTE OR CONTROVERSY IN CONNECTION WITH OR RELATED TO THIS NOTE, THE LOAN AGREEMENT, THE BANK LOAN AGREEMENT OR THE OWNER

COLLATERAL DOCUMENTS, OR ANY SUCH AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

[Signature Page Follows]

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IN WITNESS WHEREOF, the Borrower has duly executed this Note the day and year first above written.

BORROWER:

LOFTS 47 PHASE I LIMITED PARTNERSHIP, an Illinois limited partnership

By: Lofts 47 Phase I, Inc., an Illinois corporation Its:
General Partner

By:

Name

: Title:

NON RECOURSE ENDORSEMENT

Pay to the order of JPMorgan Chase Bank, N.A., without recourse against the undersigned.

CITY OF CHICAGO

By

Lois A. Scott
Chief Financial Officer

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**EXHIBIT B COSTS OF
PROJECT**

See Tax Agreement and Project Certificate.

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EXHIBIT C

FORM OF DISBURSEMENT REQUEST

JPMorgan Chase Bank, N.A., as Fiscal
Agent Community Development Real
Estate Chase Tower 10 South Dearborn
Street Mail Code IL1-0953 Chicago,
Illinois 60603 Attn: Paul C. Vlamis

Ladies and Gentlemen:

This Disbursement Request is delivered to you pursuant to Section 9.5 of the Loan Agreement, dated as of _____ 1, 2012 (as amended or modified, the "Loan Agreement"), between Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Owner"), and the City of Chicago (the "Issuer"). Unless otherwise defined herein, capitalized terms used herein have the meanings provided in the Loan Agreement.

The undersigned, on behalf of the Owner, hereby requests that a disbursement be made in the aggregate principal amount of \$ _____ on _____ with respect to the Project.

The undersigned, on behalf of the Owner, hereby certifies and warrants that on the date the disbursement requested hereby is made, after giving effect to the making of such disbursement:

(a) that each obligation mentioned herein has been properly incurred subsequent to the date 60 days preceding _____, 2012, and is a proper charge against the Construction Account of the Construction Fund, or is otherwise permitted in accordance with the Project Certificate;

(b) that other than for costs of issuance, 100% of the amount requested plus all prior disbursements from the Construction Account of the Construction Fund will have been expended on Costs of the Project (consistent with the provisions of the Project Certificate and the Tax Agreement);

(c) no Default or Event of Default has occurred and is continuing, or will result from the making of such disbursement; and

(d) the representations and warranties of the Owner contained in Article VI of the Loan Agreement are true and correct with the same effect as though made on the date hereof.

The undersigned, on behalf of the Owner, agrees that if, prior to the time of the funding of the disbursement requested hereby, any matter certified to herein by it will not be true and correct in all material respects at the time of such funding as if then made, it will immediately so notify the Fiscal Agent and the Issuer. Except to the extent, if any, that prior to the time of the funding of the disbursement requested hereby the Fiscal Agent shall receive written notice to

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the contrary from the undersigned, on behalf of the Owner, or the Owner, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such funding as if then made.

Please wire transfer the proceeds of the disbursement as set forth on Annex I attached hereto.

This certificate is given by the undersigned on behalf of the Owner.

The undersigned has caused this Disbursement Request to be executed and delivered, and the certification and warranties contained herein to be made, by an authorized officer this ____ day of _____, 201 ____.

**LOFTS 47 PHASE I LIMITED PARTNERSHIP, an
Illinois limited partnership**

By: Lofts 47 Phase I, Inc., an
Illinois corporation Its:
General Partner

By: _____
Name: _____
Title: _____

APPROVED:

JPMORGAN CHASE BANK, N.A.,
a national banking association

By: _
Name
: Its:

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ANNEX I

<u>Amount to be Transferred</u>	<u>Person to be Paid</u>	<u>Name, Address, etc. of Transferee</u>
---------------------------------	--------------------------	--

Name Account No. _____

Attention:

Name Account No.

Attention:

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**EXHIBIT D WIRE TRANSFER
INSTRUCTIONS**

JPMorgan Chase Bank, N.A.

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**EXHIBIT K Form of Land Use Restriction
Agreement**
(See Attached)

Recording Requested By and When Recorded Send to:
Ice Miller LLP
200 West Madison Street
Chicago, Illinois 60606
Attention: Steven L. Washington

LAND USE RESTRICTION AGREEMENT

between CITY OF CHICAGO

and

LOFTS 47 PHASE I LIMITED PARTNERSHIP

an Illinois limited partnership

Dated as of _____ 1, 2012

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LAND USE RESTRICTION AGREEMENT

THIS LAND USE RESTRICTION AGREEMENT (this "Agreement"), entered into as of _____ 1, 2012, between the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "Issuer"), and LOFTS 47 PHASE I LIMITED PARTNERSHIP, an Illinois limited partnership (the "Owner"),

WITNESSETH:

WHEREAS, the Issuer has issued, sold and delivered its \$ _____ Multi-Family Housing Revenue Bond, Series 2012 (Shops and Lofts at 47th Project) (the "Bonds"); and

WHEREAS, the Bonds are issued pursuant to the Bond Issuance Agreement of even date herewith (the "Bond Issuance Agreement"), among the Issuer, JPMorgan Chase Bank, N.A., a national banking association, as purchaser of the Bonds (the "Bondholder"), and JPMorgan Chase Bank, N.A., a national banking association, as fiscal agent; and

WHEREAS, the proceeds derived from the issuance and sale of the Bonds have been lent by the Issuer to the Owner pursuant to the Loan Agreement of even date herewith (the "Loan Agreement"), between the Issuer and the Owner for the purpose of financing a portion of the costs of acquiring, rehabilitating, constructing and equipping an approximately ninety-six (96) unit affordable multi-family housing project and related improvements, situated in five buildings, including very low-income, low-income, and market rate units to be known as the Shops and Lofts at 47th Project (together with all rights and interests of the Owner in common areas in such buildings and on the related site, the "Units"), located on the site described in Exhibit A hereto (the "Site" and, together with the Units, the "Project"); and

WHEREAS, portions of the Site are currently owned by the Issuer and, upon issuance of the Bonds, "will be conveyed to an affiliate of the Owner, which will then convey such land to the Owner; and

WHEREAS, the Owner will construct the Units on the Site and will own the Units; and

WHEREAS, in order to assure the Issuer and the Bondholder that interest on the Bonds will be excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), and to further the public purposes of the Issuer, certain restrictions on the use and occupancy of the Project under the Code must be established;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, the Owner and the Issuer agree as follows:

Section 1. Term of Restrictions.

(a) **Occupancy Restrictions.** The term of the Occupancy Restrictions set forth in Section 3 hereof shall commence on the first day on which at least 10% of the Units are first occupied following completion of such Units and shall end on the latest of (i) the date which is 15 years after the date on which at least 50% of the Units in the Project are first occupied; (ii) the first date on which no tax-exempt note or bond (including any refunding note or bond)

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issued with respect to the Project is outstanding (treating, for such purpose, the Project as being financed in part by all Bonds); or (iii) the date on which any housing assistance provided with respect to the Project under Section 8 of the United States Housing Act of 1937, as amended, terminates (which period is hereinafter referred with respect to the Project as the "Qualified Project Period").

(b) **Rental Restrictions.** The Rental Restrictions with respect to the Project set forth in Section 4 hereof shall remain in effect during the Qualified Project Period.

(c) **Involuntary Loss or Substantial Destruction.** The Occupancy Restrictions set forth in Section 3 hereof, and the Rental Restrictions set forth in Section 4 hereof, shall cease to apply to the Project in the event of involuntary noncompliance caused by fire, seizure, requisition, foreclosure, transfer of title by deed in lieu of foreclosure, change in federal law or an action of a federal agency (with respect to the Project) after the date of delivery of the Bonds, which prevents the Issuer from enforcing the Occupancy Restrictions and the Rental Restrictions (with respect to

the Project), or condemnation or similar event (with respect to the Project), but only if, within a reasonable time, (i) all of the Bonds are promptly retired, or amounts received as a consequence of such event are used to provide a new project which meets all of the requirements of this Agreement, which new project is subject to new restrictions substantially equivalent to those contained in this Agreement, and which is substituted in place of the Project by amendment of this Agreement; and (ii) an opinion from nationally recognized bond counsel (selected by the Issuer) is received to the effect that noncompliance with the Occupancy Restrictions and the Rental Restrictions applicable to the Project as a result of such involuntary loss or substantial destruction resulting from an unforeseen event with respect to the Project will not adversely affect the exclusion of the interest on the Bonds from the gross incomes of the owners thereof for purposes of federal income taxation; provided, however, that the preceding provisions of this paragraph shall cease to apply in the case of such involuntary noncompliance caused by foreclosure, transfer of title by deed in lieu of foreclosure or similar event if at any time during the Qualified Project Period with respect to the Project subsequent to such event the Owner or any Affiliated Party (as hereinafter defined) obtains an ownership interest in the Project for federal income tax purposes. "Affiliated Party" means a person whose relationship to another person is such that (i) the relationship between such persons would result in a disallowance of losses under Section 267 or 707(b) of the Code; or (ii) such persons are members of the same controlled group of corporations (as defined in Section 1563(a) of the Code, except that "more than 50%" shall be substituted for "at least 80%" each place it appears therein).

(d) Termination. This Agreement shall terminate with respect to the Project upon the earliest of (i) termination of the Occupancy Restrictions and the Rental Restrictions with respect to the Project, as provided in paragraphs (a) and (b) of this Section 1; or (ii) delivery to the Issuer, the Owner and the Bondholder of an opinion of nationally recognized bond counsel (selected by the Issuer) to the effect that continued compliance of the Project with the Rental Restrictions and the Occupancy Restrictions applicable to the Project is not required in order for interest on the Bonds to remain excludible from gross income for federal income tax purposes.

(e) Certification. Upon termination of this Agreement, the Owner and the Issuer shall execute and cause to be recorded (at the Owner's expense), in all offices in which this Agreement was recorded, a certificate of termination.

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Section 2. Project Restrictions. The Owner represents, warrants and covenants that:

(a) The Owner has reviewed the provisions of the Code and the Treasury Regulations thereunder (the "Regulations") applicable to this Agreement (including, without limitation, Section 142(d) of the Code and Section 1.103-8(b) of the Regulations) with its counsel and understands said provisions.

(b) The Project is being acquired, constructed and equipped for the purpose of providing a "qualified residential rental project" (as such phrase is used in Section 142(d) of the Code) and will, during the term of the Rental Restrictions and Occupancy Restrictions hereunder applicable to the Project, continue to constitute a "qualified residential rental project" under Section 142(d) of the Code and any Regulations heretofore or hereafter promulgated thereunder and applicable thereto.

(c) Substantially all (not less than 95%) of the Project will consist of a "building or structure" (as defined in Section 1.103-8(b)(8)(iv) of the Regulations), or several proximate buildings or structures, of similar construction, each containing one or more similarly constructed residential units (as defined in Section 1.103-8(b)(8)(i) of the Regulations) located on a single tract of land or proximate tracts of land (as defined in Section 1.103-8(b)(4)(ii)-(B) of the Regulations), which will be owned, for federal tax purposes, at all times by the same person, and financed

pursuant to a common plan (within the meaning of Section 1.103-8(b)(4)(ii) of the Regulations), together with functionally related and subordinate facilities (within the meaning of Section 1.103-8(b)(4)(iii) of the Regulations). If any such building or structure contains fewer than five (5) units, no unit in such building or structure shall be Owner-occupied.

(d) None of the Units in the Project will at any time be used on a transient basis, nor will the Project itself be used as a hotel, motel, dormitory, fraternity or sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court for use on a transient basis; nor shall any portion of the Project be operated as an assisted living facility which provides continual or frequent nursing, medical or psychiatric services; provided, however that nothing herein shall be understood to prohibit single room occupancy units occupied under month to month leases.

(e) All of the Units in the Project will be leased or rented, or available for lease or rental, on a continuous basis to members of the general public (other than (i) Units for resident managers or maintenance personnel, (ii) Units for Qualifying Tenants as provided for in Section 3 hereof, and (iii) Units which may be rented under the Section 8 assistance program, which units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section 8 requirements), subject, however, to the requirements of Section 3(a) hereof. Each Qualifying Tenant (as hereinafter defined) occupying a Unit in the Project shall be required to execute a written lease with a stated term of not less than 30 days nor more than one year.

(f) Any functionally related and subordinate facilities (e.g., parking areas, swimming pools, tennis courts, etc.) which are included as part of the Project will be of a character and size commensurate with the character and size of the Project, and will be made available to all tenants in the Project on an equal basis; fees will only be charged with respect to the use thereof if the charging of fees is customary for the use of such facilities at similar residential rental properties in the surrounding area (i.e., within a one-mile radius), or, if none, then within comparable urban settings in the City of Chicago, and then only in amounts commensurate with the fees being charged at similar residential rental properties within such area. In any event, any

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fees charged will not be discriminatory or exclusionary as to the Qualifying Tenants (as defined in Section 3 hereof). No functionally related and subordinate facilities will be made available to persons other than tenants or their guests.

(g) Each residential unit in the Project will contain separate and complete facilities for living, sleeping, eating, cooking and sanitation for a single person or family.

(h) No portion of the Project will be used to provide any health club facility (except as provided in (f) above), any facility primarily used for gambling, or any store, the principal business of which is the sale of alcoholic beverages for consumption off premises, in violation of Section 147(e) of the Code.

Section 3. Occupancy Restrictions. The Owner represents, warrants and covenants with respect to the Project that:

(a) Pursuant to the election of the Issuer in accordance with the provisions of Section 142(d)(1)(A) of the Code, at all times during the Qualified Project Period with respect to the Project at least 40% of the completed Units in the Project shall be continuously occupied (or treated as occupied as provided herein) or held available for occupancy by Qualifying Tenants as herein defined. For purposes of this Agreement, "Qualifying Tenants" means individuals or families whose aggregate adjusted incomes do not exceed 60% of the applicable median gross ^y income (adjusted for family size) for the area in which the Project is located, as such income and area median gross income are determined by the Secretary of the United States Treasury in a manner consistent with determinations of income and area median gross income under Section 8 of the United States

Housing Act of 1937, as amended (or, if such program is terminated, under such program as in effect immediately before such determination).

(b) Prior to the commencement of occupancy of any unit to be occupied by a Qualifying Tenant, the prospective tenant's eligibility shall be established by execution and delivery by such prospective tenant of an Income Computation and Certification in the form attached hereto as Exhibit B (the "Income Certification") evidencing that the aggregate adjusted income of such prospective tenant does not exceed the applicable income limit. In addition, such prospective tenant shall be required to provide whatever other information, documents or certifications are reasonably deemed necessary by the Owner or the Issuer to substantiate the Income Certification.

(c) Not less frequently than annually, the Owner shall determine whether the current aggregate adjusted income of each tenant occupying any unit being treated by the Owner as occupied by a Qualifying Tenant exceeds the applicable income limit. For such purpose the Owner shall require each such tenant to execute and deliver the Income Computation and Certification attached hereto as Exhibit B; provided, however, that for any calendar year during which no unit in the Project is occupied by a new resident who is not a qualifying tenant, no Income Computation and Certification for existing tenants shall be required.

(d) Any unit vacated by a Qualifying Tenant shall be treated as continuing to be occupied by such tenant until reoccupied, other than for a temporary period not to exceed 31 days, at which time the character of such unit as a unit occupied by a Qualifying Tenant shall be redetermined.

(e) If an individual's or family's income exceeds the applicable income limit as of any date of determination, the income of such individual or family shall be treated as continuing not

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to exceed the applicable limit, provided that the income of an individual or family did not exceed the applicable income limit upon commencement of such tenant's occupancy or as of any prior income determination, and provided, further, that if any individual's or family's income as of the most recent income determination exceeds 140% of the applicable income limit, such individual or family shall cease to qualify as a Qualifying Tenant if, prior to the next income determination of such individual or family, any unit in the Project of comparable or smaller size to such individual's or family's unit is occupied by any tenant other than a Qualifying Tenant.

(f) The lease to be utilized by the Owner in renting any Unit in the Project to a prospective Qualifying Tenant shall provide for termination of the lease and consent by such person to eviction following 30 days' written notice, subject to applicable provisions of Illinois law (including for such purpose all applicable home rule ordinances), for any material misrepresentation made by such person with respect to the Income Certification with the effect that such tenant is not a Qualified Tenant.

(g) All Income Certifications will be maintained on file at the Project as long as any Bonds are outstanding and for five years thereafter with respect to each Qualifying Tenant who occupied a Unit in the Project during the period the restrictions hereunder are applicable, and the Owner will, promptly upon receipt, file a copy thereof with the Issuer.

(h) On the first day of the Qualified Project Period with respect to the Project, on the fifteenth days of January, April, July and October of each year during the Qualified Project Period with respect to the Project, and within 30 days after the final day of each month in which there occurs any change in the occupancy of a Unit in the Project, the Owner will submit to the Issuer a "Certificate of Continuing Program Compliance," in the form attached hereto as Exhibit C, executed by the- Owner with respect to the Project.

(i) The Owner shall submit to the Secretary of the United States Treasury (at such time and in such manner as the Secretary shall prescribe) with respect to the Project an annual certification on Form 8703 as to whether the Project continues to meet the requirements of Section 142(d) of the Code. Failure to comply with such requirement may subject the Owner to the penalty provided in Section 6652(j) of the Code.

Section 4. Rental Restrictions. The Owner represents, warrants and covenants with respect to the Project that once available for occupancy, each Unit in the Project will be rented or available for rental on a continuous basis to members of the general public (other than (a) Units for resident managers or maintenance personnel, (b) Units for Qualifying Tenants as provided for in Section 3 hereof, and (c) Units which may be rented under the Section 8 assistance program, which Units (subject to the Section 8 assistance program) shall be leased to eligible tenants in accordance with Section 8 requirements). If a Housing Assistance Payments Contract is subsequently entered into with respect to the Project under the Section 8 assistance program, in administering the restrictions hereunder with respect to the Project the Owner will comply with all Section 8 requirements.

Section 5. Transfer Restrictions. The Owner covenants and agrees that no conveyance, transfer, assignment or any other disposition of title to any portion of the Project (a "Transfer") shall be made prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder with respect to the Project, unless the transferee pursuant to the Transfer assumes in writing (the "Assumption Agreement"), in a form reasonably acceptable to the Issuer, all of the executory duties and obligations hereunder of the Owner with respect to such portion of the Project, including those contained in this Section 5, and agrees to cause any

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subsequent transferee to assume such duties and obligations in the event of a subsequent Transfer by the transferee prior to the termination of the Rental Restrictions and Occupancy Restrictions hereunder with respect to the Project. The Owner shall deliver the Assumption Agreement to the Issuer at least 30 days prior to a proposed Transfer. This Section 5 shall not apply to any involuntary transfer pursuant to Section 1(c) hereof. This Section shall not be deemed to restrict the transfer of any partnership interest in the Owner or a transfer by foreclosure or deed in lieu of foreclosure.

Section 6. Enforcement.

(a) The Owner shall permit all duly authorized representatives of the Issuer to inspect any books and records of the Owner regarding the Project and the incomes of Qualifying Tenants which pertain to compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(b) In addition to the information provided for in Section 3(i) hereof, the Owner shall submit any other information, documents or certifications reasonably requested by the Issuer, which the Issuer deems reasonably necessary to substantiate continuing compliance with the provisions of this Agreement and Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

(c) The Issuer and the Owner each covenants that it will not take or permit to be taken any action within its control that it knows would adversely affect the exclusion of interest on the Bonds from the gross income of the owners thereof for purposes of federal income taxation pursuant to Section 103 of the Code. Moreover, each covenants to take any lawful action within its control (including amendment of this Agreement as may be necessary in the opinion of nationally recognized bond counsel selected by the Issuer) to comply fully with all applicable rules, rulings, policies, procedures, regulations or other official statements promulgated or proposed by the Department of the Treasury or the Internal Revenue Service from time to time pertaining to obligations issued under Section 142(d) of the Code and affecting the Project.

(d) The Owner covenants and agrees to inform the Issuer by written notice of any violation of its obligations hereunder within five days of first discovering any such violation. If any such violation is not corrected to the satisfaction of the Issuer within the period of time specified by either the Issuer, which shall be (i) the lesser of (A) 45 days after the effective date of any notice to or from the Owner, or (B) 60 days from the date such violation would have been discovered by the Owner by the exercise of reasonable diligence, or (ii) such longer period as may be necessary to cure such violation, provided bond counsel (selected by the Issuer) of nationally recognized standing in matters pertaining to the exclusion of interest on municipal bonds from gross income for purposes of federal income taxation issues an opinion that such extension will not result in the loss of such exclusion of interest on the Bonds, without further notice, the Issuer shall declare a default under this Agreement effective on the date of such declaration of default, and the Issuer shall apply to any court, state or federal, for specific performance of this Agreement or an injunction against any violation of this Agreement, or any other remedies at law or in equity or any such other actions as shall be necessary or desirable so as to correct noncompliance with this Agreement.

(e) The Owner and the Issuer each acknowledges that the primary purposes for requiring compliance with the restrictions provided in this Agreement are to preserve the exclusion of interest on the Bonds from gross income for purposes of federal income taxation,

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and that the Issuer, on behalf of the owners of the Bonds, who are declared to be third-party beneficiaries of this Agreement, shall be entitled for any breach of the provisions hereof, to all remedies both at law and in equity in the event of any default hereunder.

(f) In the enforcement of this Agreement, the Issuer may rely on any certificate delivered by or on behalf of the Owner or any tenant with respect to the Project.

(g) Nothing in this Section shall preclude the Issuer from exercising any remedies it might otherwise have, by contract, statute or otherwise, upon the occurrence of any violation hereunder.

(h) Notwithstanding anything to the contrary contained herein, the Issuer hereby agrees that any cure of any default made or tendered by one or more of the Owner's partners shall be deemed to be a cure by the Owner and shall be accepted or rejected on the same basis as if made or tendered by the Owner.

Section 7. Covenants to Run with the Land. The Owner hereby subjects the Project, the Site and the Units to the covenants, reservations and restrictions set forth in this Agreement. The Issuer and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants, reservations and restrictions running with the land to the extent permitted by law, and shall pass to and be binding upon the Owner's successors in title to the Project, the Units, and the Site, throughout the term of this Agreement. Each and every contract, deed, mortgage, lease or other instrument hereafter executed covering or conveying the Project, the Units or the Site, or any portion thereof or interest therein (excluding any transferee of a limited partnership interest in the Owner), shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed, mortgage, lease or other instrument.

Section 8. Recording. The Owner shall cause this Agreement and all amendments and supplements hereto to be recorded in the conveyance and real property records of Cook County, Illinois, and in such other places as the Issuer may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording.

Section 9. Agents of the Issuer. The Issuer shall have the right to appoint agents to carry out any of its duties and obligations hereunder, and shall, upon written request, certify in writing to the other party hereto any such agency appointment.

Section 10. No Conflict with Other Documents. The Owner warrants and covenants that it has not and will not execute any other agreement with provisions inconsistent or in conflict with the provisions hereof (except documents that are subordinate to the provisions hereof), and the Owner agrees that the requirements of this Agreement are paramount and controlling as to the rights and obligations herein set forth, which supersede any other requirements in conflict herewith.

Section 11. Interpretation. Any capitalized terms not defined in this Agreement shall have the same meaning as terms defined in the Bond Issuance Agreement, the Loan Agreement or Section 142(d) of the Code and the regulations heretofore or hereafter promulgated thereunder.

Section 12. Amendment. Subject to any restrictions set forth in the Bond Issuance Agreement, this Agreement may be amended by the parties hereto to reflect changes in

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Section 142(d) of the Code, the regulations hereafter promulgated thereunder and revenue rulings promulgated thereunder, or in the interpretation thereof.

Section 13. Severability. The invalidity of any clause, part or provision of this Agreement shall not affect the validity of the remaining portions thereof.

Section 14. Notices. Any notice, demand or other communication required or permitted hereunder shall be in writing and shall be deemed to have been given if and when personally delivered and receipted for, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance), or on the first day after being sent by telegram, or on the third day after being deposited in United States registered or certified mail, postage prepaid. Any such notice, demand or other communication shall be given as provided for in Section 14.3 of the Loan Agreement.

Section 15. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois, and where applicable, the laws of the United States of America.

Section 16. Limited Liability of Owner. Notwithstanding any other provision or obligation stated in or implied by this Agreement to the contrary, any and all undertakings and agreements of the Owner contained herein shall not (other than as expressly provided hereinafter in this paragraph) be deemed, interpreted or construed as the personal undertaking or agreement of, or as creating any personal liability upon, any past, present or future partner of the Owner, and no recourse (other than as expressly provided hereinafter in this paragraph) shall be had against the property of the Owner or any past, present or future partner of the Owner, personally or individually for the performance of any undertaking, agreement or obligation, or the payment of any money, under this Agreement or any document executed or delivered by or on behalf of the Owner pursuant hereto or in connection herewith, or for any claim based thereon. It is expressly understood and agreed that the Issuer and the registered owners of the Bonds, and their respective successors and assigns, shall have the right to sue for specific performance of this Agreement and to otherwise seek equitable relief for the enforcement of the obligations and undertakings of the Owner hereunder, including, without limitation, obtaining an injunction against any violation of this Agreement or the appointment of a receiver to take over and operate all or any portion of the Project in accordance with the terms of this Agreement. This Section shall survive termination of this Agreement.

[Signatures Appear on Following Page]

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed and sealed by their respective, duly authorized representatives, as of the day and year first above written.

CITY OF CHICAGO

By: _____

(SEAL)

ATTEST

:

Acknowledged and agreed to:

LOFTS 47 PHASE I LIMITED PARTNERSHIP,
an Illinois limited partnership

By: Lofts 47 Phase I, Inc., an Illinois corporation
Its: General Partner

By: _____

Name: _____

Title: _____

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STATE OF ILLINOIS)
)
COUNTY OF COOK ss:
)

BEFORE ME, the undersigned authority, on this day personally appeared _____, the _____ of the CITY OF CHICAGO, a municipal corporation and home rule unit of local government duly organized and validly existing under the Constitution and laws of the State of Illinois (the "Issuer"), known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that each executed the same for the purposes and consideration therein expressed and in the capacity therein stated, as the act and deed of said Issuer.

GIVEN UNDER MY HAND and seal of office, this the ____ day of _____, 2012.

[SEAL] _____
Notary Public in and for the State of Illinois

My commission expires on:

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EXHIBIT A SITE LEGAL

DESCRIPTION

Common Address:
Permanent Index Number:

EXHIBIT B
INCOME COMPUTATION AND CERTIFICATION*

NOTE TO APARTMENT OWNER: This form is designed to assist you in computing Annual Income in accordance with the method set forth in the Department of Housing and Urban Development ("HUD") Regulations (24 CFR Part 5). You should make certain that this form is at all times up to date with HUD Regulations. All capitalized terms used herein shall have the meanings set forth in the Land Use Restriction Agreement, dated as of _____ 1, 2012, among the City of Chicago and Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Owner").

Re: Shops and Lofts at 47th Project
 Chicago, IL

I/We, the undersigned, being first duly sworn, state that I/we have read and answered fully and truthfully each of the following questions for all persons who are to occupy the unit in the above apartment project for which application is made. Listed below are the names of all persons who intend to reside in the unit:

Name of Members of the Household	Relationship to Head of Household	Age	Social Security Number	Place of Employment
	HEAD			
	SPOUSE			

6. Total Anticipated Income. The total anticipated income, calculated in accordance with this paragraph 6, of all persons listed above for the 12-month period beginning the date that I/we plan to move into a unit (i.e., _____) is \$_____.

Included in the total anticipated income listed above are:

- (a) the full amount, before payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;
- (b) the net income from operation of a business or profession or net income from real or personal property (without deducting expenditures for business expansion or amortization or capital indebtedness); an allowance for depreciation of capital assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulation; include any withdrawal of cash or assets from the operation of a business or profession, except to the extent the

* The form of Income Computation and Certification shall be conformed to any amendments made to 24 CFR Part 5, or any regulatory provisions promulgated in substitution therefor.

withdrawal is reimbursement of cash or assets invested in the operation by the above persons;

- (c) interest and dividends (see 7(C) below);

- (d) the full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment;
- (e) payments in lieu of earnings, such as unemployment and disability compensation, workmen's compensation and severance pay;
- (f) the amount of any public welfare assistance payment; if the welfare assistance payment includes any amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:
 - (i) the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities, plus
 - (ii) the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities (if the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph 6(f) shall be the amount resulting from one application of the percentage);
- (g) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts received from persons not residing in the dwelling; and
- (h) all regular pay, special pay and allowances of a member of the Armed Forces.

Excluded from such anticipated total income are:

- (a) income from employment of children (including foster children) under the age of 18 years;
- (b) payment received for the care of foster children or foster adults;
- (c) lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
- (d) amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (e) income of a live-in aide;
- (f) the full amount of student financial assistance paid directly to the student or to the educational institution;
- (g) special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (h) amounts received under training programs funded by the Department of Housing and Urban Development ("HUD");

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- (i) amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
- (j) amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

- (k) a resident service stipend in a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the Owner, on a part-time basis, that enhances the quality of life in the Project, including, but not limited to, fire patrol, hall monitoring, lawn maintenance and resident initiatives coordination (no resident may receive more than one stipend during the same period of time);
- (l) compensation from state or local employment training programs in training of a family member as resident management staff, which compensation is received under employment training programs (including training programs not affiliated with a local government) with clearly defined goals and objectives, and which compensation is excluded only for the period during which the family member participates in the employment training program;
- (m) reparations payment paid by a foreign government pursuant to claims filed under the laws of that government for persons who were persecuted during the Nazi era;
- (n) earnings in excess of \$480 for each full-time student, 18 years or older, but excluding the head of household and spouse;
- (o) adoption assistance payments in excess of \$480 per adopted child;
- (p) deferred periodic payments of supplemental security income and social security benefits that are received in a lump sum payment;
- (q) amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
- (r) amounts paid by a state agency to a family with a developmentally disabled family member living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home;
- (s) temporary, nonrecurring or sporadic income (including gifts); and
- (t) amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply.

Assets.

- (a) Do the persons whose income or contributions are included in Item 6 above:
 - (i) have savings, stocks, bonds, equity in real property or other form of capital investment (excluding the values of necessary items of personal property such as furniture and automobiles, equity in a housing cooperative unit or in a manufactured home in which such family resides, and interests in Indian trust land)? Yes No.
 - (ii) have they disposed of any assets (other than at a foreclosure or bankruptcy sale) during the last two years at less than fair market value? Yes No.
- (b) If the answer to (i) or (ii) above is yes, does the combined total value of all such assets owned or disposed of by all such persons total more than \$5,000? Yes No.
- (c) If the answer to (b) above is yes, state:
 - (i) the total value of all such assets: \$ _____;

(ii) the amount of income expected to be derived from such assets in the 12-month period beginning on the date of initial occupancy of the unit that you propose to rent: \$ _____; and

(iii) the amount of such income, if any, that was included in Item 6 above:
\$ _____.

8. Full-time Students.

(a) Are all of the individuals who propose to reside in the unit full-time students?
_____ Yes _____ No.

A full-time student is an individual enrolled as a full-time student (carrying a subject load that is considered full-time for day students under the standards and practices of the educational institution attended) during each of five calendar months during the calendar year in which occupancy of the unit begins at an educational organization which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of students in attendance or an individual pursuing a full-time course of institutional or farm training under the supervision of an accredited agent of such an educational organization or of a state or political subdivision thereof.

(b) If the answer to 8(a) is yes, are at least two of the proposed occupants of the unit a husband and wife entitled to file a joint federal income tax return?
_____ Yes _____ No.

9. Relationship to Project Owner. Neither myself nor any other occupant of the unit I/we propose to rent is the Owner, has any family relationship to the Owner, or owns directly or indirectly any interest in the Owner. For purposes of this paragraph, indirect ownership by an individual shall mean ownership by a family member; ownership by a corporation, partnership, estate or trust in proportion to the ownership or beneficial interest in such corporation, partnership, estate or trust held by the individual or a family member; and ownership, direct or indirect, by a partner of the individual.

10. Reliance. This certificate is made with the knowledge that it will be relied upon by the Owner to determine maximum income for eligibility to occupy the unit and is relevant to the status under federal income tax law of the interest on obligations issued to provide financing for the apartment development for which application is being made. I/We consent to the disclosure of such information to the issuer of such obligations, the holders of such obligations, any fiduciary acting on their behalf and any authorized agent of the Treasury Department or the Internal Revenue Service. I/We declare that all information set forth herein is true, correct and complete and based upon information I/we deem reliable, and that the statement of total anticipated income contained in paragraph 6 is reasonable and based upon such investigation as the undersigned deemed necessary.

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11. Further Assistance. I/We will assist the Owner in obtaining any information or documents required to verify the statements made herein, including, but not limited to, either an income verification from my/our present employer(s) or copies of federal tax returns for the immediately preceding two calendar years.

12. Misrepresentation. I/We acknowledge that I/we have been advised that the making of any misrepresentation or misstatement in this declaration will constitute a material breach of my/our agreement with the Owner to lease the unit, and may entitle the Owner to prevent or terminate my/our occupancy of the unit by institution of an action for ejection or other appropriate proceedings.

[Signatures Appear on Following Page]

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I/We declare under penalty of perjury that the foregoing is true and correct.
Executed this __ day of _____ in _____, Illinois.

Applicant Applicant

Applicant Applicant

[Signature of all persons over the age of 18 years listed in 2 above required.]

SUBSCRIBED AND SWORN to before me this ___ day of _____

(NOTARY SEAL)

Notary Public in and for the State of _____

My Commission Expires: _____

FOR COMPLETION BY APARTMENT OWNER ONLY:

1. Calculation of eligible income:

a. Enter amount entered for entire household in 6 above: \$ _____

b. (1) if the amount entered in 7(c)(i) above is greater than \$5,000, enter the total amount entered in 7(c)(ii), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance (\$ _____);

(2) multiply the amount entered in 7(c)(i) times the current passbook savings rate as determined by HUD to determine what the total annual earnings on the amount in 7(c)(ii) would be if invested in passbook savings (\$ _____), subtract from that figure the amount entered in 7(c)(iii) and enter the remaining balance (\$ _____); and

(3) enter at right the greater of the amount calculated under (1) or (2) above: \$ _____

c. TOTAL ELIGIBLE INCOME (Line 1 .a plus line 1 .b(3)): \$ _____

2. The amount entered in 1 .c is:

___ Less than 80% of Median Gross Income for Area."

""Median Gross Income for the Area" means the median income for the area where the Project is located as determined by the Secretary of Housing and Urban Development under Section 8(f)(3) of the United States Housing Act of 1937, as amended, or if programs under Section 8(f) are terminated, median income determined under the

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___ More than 80% of Median Gross Income for the Area.

3. Number of apartment unit assigned: _____
Bedroom Size: _____ Rent: \$ _____

4. The last tenants of this apartment unit for a period of 31 consecutive days [had/did not have] aggregate anticipated annual income, as certified in the above manner upon their initial occupancy of the apartment unit, of less than 80% of Median Gross Income for the Area.

5. Method used to verify applicant(s) income:

___ Employer income verification.

___ Copies of tax returns.

___ Other (_____)

Owner or Manager

method used by the Secretary prior to the termination. "Median Gross Income for the Area" shall be adjusted for family size.

***See footnote 2.

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INCOME VERIFICATION

(for employed persons)

The undersigned employee has applied for a rental unit located in a project financed by the City of Chicago. Every income statement of a prospective tenant must be stringently verified. Please indicate below the employee's current annual income from wages, overtime, bonuses, commissions or any other form of compensation received on a regular basis.

Annual wages	_____
Overtime	_____
Bonuses	_____
Commissions	_____
Total current income	_____

I hereby certify that the statements above are true and complete to the best of my knowledge.

Signature

Date Title

I hereby grant you permission to disclose my income to Lofts 47 Phase I Limited Partnership, an Illinois limited partnership, in order that it may determine my income eligibility for rental of an apartment located in one of its projects which has been financed by the City of Chicago.

Signature Date

Please send to:

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INCOME VERIFICATION
(for self-employed persons)

I hereby attach copies of my individual federal and state income tax returns for the immediately preceding two calendar years and certify that the information shown in such income tax returns is true and complete to the best of my knowledge.

Signature

Date

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EXHIBIT C

CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned, on behalf of Lofts 47 Phase I Limited Partnership, an Illinois limited partnership (the "Owner"), hereby certifies as follows:

1. The undersigned has read and is thoroughly familiar with the provisions of the Land Use Restriction Agreement, dated as of _____ 1, 2012 (the "Land Use Restriction Agreement"), between the City of Chicago and the Owner. All capitalized terms used herein shall have the meanings given in the Land Use Restriction Agreement.

2. Based on Certificates of Tenant Eligibility on file with the Owner, as of the date of this Certificate the following number of completed Units in the Project (i) are occupied by Qualifying Tenants (as such term is defined in the Land Use Restriction Agreement), or (ii) were previously occupied by Lower-Income Tenants and have been vacant and not reoccupied except for a temporary period of no more than 31 days:

Occupied by Qualifying Tenants": _____ No. of Units

Previously occupied by Qualifying Tenants

(vacant and not reoccupied except for a

temporary period of no more than 31 days): _____ No. of Units

3. The total number of completed Units in the Project is _____.

4. The total number in 2 is at least 40% of the total number in 3 above.

5. No Event of Default (as defined in the Land Use Restriction Agreement) has occurred and is subsisting under the Land Use Restriction Agreement, except as set forth in Schedule A attached hereto.

LOFTS 47 PHASE I LIMITED PARTNERSHIP,
an Illinois limited partnership

By: Lofts 47 Phase I, Inc., an Illinois corporation
Its: General Partner

By: _____
Name: _____
Title: _____

A unit all of the occupants of which are full-time students does not qualify as a unit occupied by Qualifying Tenants, unless one or more of the occupants was entitled to file a joint tax return.

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

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Lofts 47 Phase I Limited Partnership _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

- 1. the Applicant
OR
- 2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
OR
- 3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 135 S. LaSalle St., Suite 3350 _____
Chicago, IL 60603-4130 _____

C. Telephone: 312-577-5264 Fax: 312-263-0337 Email: dblock@tcbinc.org

D. Name of contact person: David Block _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

See attached description.

G. Which City agency or department is requesting this EDS? Housing & Economic
Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

Section I.F - Brief description of transaction

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1.

Indicate the nature of the Disclosing Party:

<input type="checkbox"/> Person	<input type="checkbox"/> Limited liability company
<input type="checkbox"/> Publicly registered business corporation	<input type="checkbox"/> Limited liability partnership
<input type="checkbox"/> Privately held business corporation	<input type="checkbox"/> Joint venture
<input checked="" type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Not-for-profit corporation
<input type="checkbox"/> General partnership	<input type="checkbox"/> the not-for-profit corporation also a 501(c)(3)?
<input checked="" type="checkbox"/> Limited partnership	(Is <input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Trust	Other (please specify)
	<input type="checkbox"/>

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Lofts 47 Phase I, Inc.	general partner
an Illinois non-profit corporation	

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of

Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
<u>The Community Builders, Inc.</u>	<u>95 Berkeley St. Suite 500 Boston, MA 02116-6240</u>	<u>100% partnership interest*</u>

*At the financial closing. Hudson Shops and Lofts LLC will acquire 99.99% of the _____ partnership interest in the Applicant in exchange for financial benefits associated with the sale of federal Low Income Housing Tax Credits. -----

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is
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not an acceptable response.

See attached Additional Information Sheet.

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

**Gremley &
Biedermann:
(retained)** **\$10,000.00 \$20,000.00**

**DLA Piper US LLP:
(retained)** **\$35,000.00**

**Pappageorge Haymes
Partners: (retained)** **\$10,000.00**

**Applegate & Thome-Thomsen,
P.C: (retained)** **\$5,000.00**

**Prism
Engineering:
(retained)** **\$5,000.00**

**AltaManu,
Inc.:
(retained)**

**4505 North Elston Avenue
Chicago, Illinois 60630**

**203 North La Salle Street Suite
1900
Chicago, Illinois 60601**

**640 N. LaSalle St. Suite 400
Chicago, Illinois 606S4**

**626 W.Jackson Blvd. Suite 400
Chicago, IL 60661**

**122 South Michigan Avenue
Suite 1830
Chicago, Illinois 60603**

**1700 V7. Irving Park Road Suite
202
Chicago, Illinois 60613**

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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).
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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.
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.
6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-156 (Governmental Ethics) of the Municipal Code.
7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the

execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A _____;

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A _____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.L, proceed to Items D.2. and D.3. If you checked "No" to Item D.L., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no. City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power, does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.L, provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
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4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. 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.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the

Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI ~ CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None _____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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


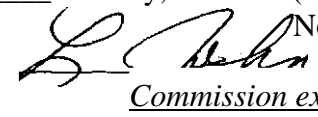
Lofts 41 Phase I Limited Partnership
by: Lofts 47 Phase I, Inc., its general partner
(Print or type name of Disclosing Party)

By: _____
(Sign here)

Jacques Sandberg
(Print or type name of person signing)

Authorized Agent
(Print or type title of person signing)

Signed and sworn to before me on (date) September^{^y}, 2012
at Cook _____ County, Illinois (state).

 L^K.  Notary Public.
Commission expires: ~7/2-3//*/

"OFFICIAL SEAL" ELAINE L.
JOHNSON Notary Public - State
of Illinois My Commission
Expires July 23,2014\$

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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: Lofts 47

Phase I, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: Lofts 47 phase i Limited Partnership

B. Business address of the Disclosing Party: 135 S. LaSalle St., Suite 3350 _____
Chicago, IL 60603-4130 _____

C. Telephone: 312-577-5264 Fax: 312-263-0337 Email: dblock@tcbinc . org

D. Name of contact person: David Block _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

See attached description.

G. Which City agency or department is requesting this EDS? Housing & Economic Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

Section I.F - Brief description of transaction

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1.

Indicate the nature of the Disclosing Party:

- | | |
|---|---|
| <input type="checkbox"/> Person | <input type="checkbox"/> Limited liability company |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership |
| <input checked="" type="checkbox"/> Privately held business corporation | <input type="checkbox"/> Joint venture |
| <input type="checkbox"/> Sole proprietorship | <input type="checkbox"/> Not-for-profit corporation |
| <input type="checkbox"/> General partnership | <input type="checkbox"/> the not-for-profit corporation also a 501(c)(3)? |
| <input type="checkbox"/> Limited partnership | (Is <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust | Other (please specify) |
| | <input type="checkbox"/> |

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	, Title
Phillip L. Clay _____	President, Director _____
Beverly J. Bates _____	Vice President _____
James F. Rushford _____	Secretary _____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of

Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Community Builders, Inc.	95 Berkeley St. Suite 500 Boston, MA 02116-6240	100% of issued shares

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is
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not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A _____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A _____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None _____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No .

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

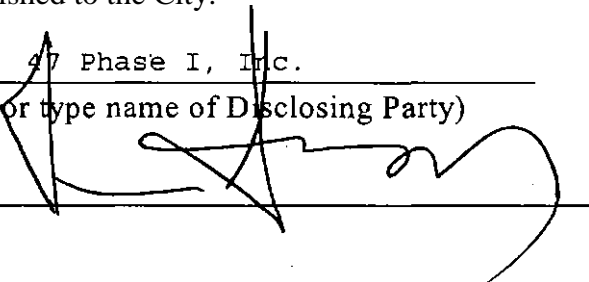
NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Lofts 47 Phase I, Inc.

(Print or type name of Disclosing Party)

By: _____


(Sign here) Jacques

Sandberg

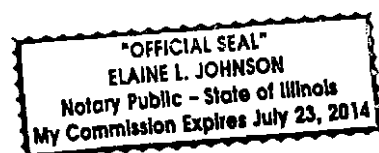
(Print or type name of person signing)

Authorized Agent _____
(Print or type title of person signing)

Signed and sworn to before me on (date) Septemberth, 2012
at Cook _____ County, Illinois (state).

f2\$/*7f ,J^<^jLjL^^ Notary
Commission expires: ~7^<5>//

Public.



**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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

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

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

TCB Development Services LLC _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 135 S. LaSalle St., Suite 3350 _____
Chicago, IL 60603-4130 _____

C. Telephone: 312-577-5264 Fax: 312-263-0337 Email: dblock@tcbinc.org

D. Name of contact person: David Block _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

See attached description. _____
Housing & Economic

G. Which City agency or department is requesting this EDS? Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- Person Limited liability company
- Publicly registered business corporation Limited liability partnership
- Privately held business corporation Joint venture
- Sole proprietorship Not-for-profit corporation
- General partnership (Is the not-for-profit corporation also a 501(c)(3))?
- Limited partnership Yes No
- Trust Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Illinois

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party; NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

The Community Builders, Inc. _____ ' _____ sole member and manager _____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
The Community Builders, Inc.	95 Berkeley St. Suite 500 Boston, MA 02116-6240	100% of issued shares

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
--	------------------	--	---

(Add sheets if necessary)

p] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Page 5 of 13

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A _____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees

or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A _____ \ _____, _____ ■ _____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is . is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes pC] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii)

is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	U Business Address	Nature of Interest
------	-----------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None _____

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

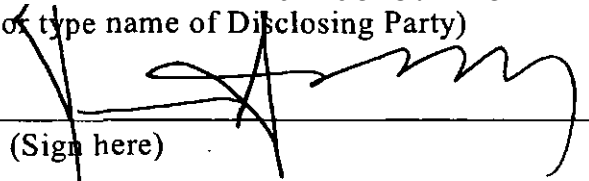
NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

TCB Development Services LLC by: The Community Builders, Inc

(Print or type name of Disclosing Party)

By: 
(Sign here)

Manager

Jacques Sandberg

(Print or type name of person signing)

Authorized Agent

(Print or type title of person signing)

Signed and sworn to before me on (date) September 25, 2012, at Cook County, Illinois (state).



Notary Public.

Commission expires: 7/25/15

"OFFICIAL SEAL" \ ELAINE L. JOHNSON \ Notary Public - State of Illinois \ My Commission Expires July 23, 2014

**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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

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

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: The

Community Builders, Inc. d/b/a TCB Illinois NFP, Inc.

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant
OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Lofts 47 Phase i Limited Partnership,-
OR TCB Development Services LLC

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 95 Berkeley street, Suite 500 _____
Boston, MA 02116 _____

C. Telephone: 312-577-5264 Fax: 312-263-0337 _____ Email: dblock@tcbinc.org _____

D. Name of contact person: David Block _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

See attached description. _____
Housing & Economic

G. Which City agency or department is requesting this EDS? .Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1.

Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation Limited liability company Limited
- Privately held business corporation liability partnership Joint venture
- Sole proprietorship Not-for-profit corporation
- the not-for-profit corporation also a 501(c)(3)?
- Yes No Other (please
- General partnership (Is specify)
- Limited partnership

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Massachusetts

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).
If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. ; NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title See attached list.

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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,

Community Builders, Inc.

Board of Directors:

- Phillip L. Clay, Chair and Director
- Christopher L. Noble, Treasurer and Director
- Edward H. Marchant, Director
- Jonathan M. Keyes, Clerk and Director
- Mary Jo Bane, Director
- Brian L.P. Fallon, Director
- Hipolito "Paul" Roldan, Director
- Ronald L. Walker, II, Director
- Xavier de Souza Briggs, Director

Officers:

- Bart Mitchell, President and Chief Executive Officer
- Beverly J. Bates, Senior Vice President, Development Operations
- Willie Jones, Senior Vice President, Regions
- Dan Lorraine - Senior VP and Director of Property Management
- Karen E. Kelleher, Senior Vice President and General Counsel, and Assistant Clerk
- Mick Vergura, Senior Vice President, Chief Financial Officer and Assistant Treasurer

interest of a member or manager in a limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

N/A _____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

N/A _____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is p) is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes [k] No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

N/A _____ ;

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

The Community Builders, Inc. d/b/a TCB Illinois NFP, Inc. (Print name of Disclosing Party)

By: [Signature]
(Sign here)

Jacques Sandberg
(Print or type name of person signing)

Authorized Agent
(Print or type title of person signing)

Signed and sworn to before me on (date) September 21, 2012 ,
at Cook County, Illinois (state).

[Signature] Notary Public.

Commission
expires: 7/20/14

OFFICIAL SEAL-ELAINE L. JOHNSON Notary Public - State of Illinois My Commission Expires July 23, 2014

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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

____ Hudson Shops and Lofts LLC _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. **the Applicant**

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Lofts 47 Phase I Limited Partnership *AT the financial closing, Hudson Shops and Lofts LLC will acquire 99.99% of the Partnership interest in the Applicant in exchange for financial benefits associated with the sale of federal Low Income Housing Tax Credits.

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: _____ 630 5th Ave, 28th Floor _____
_____ New York, NY 10111 _____

C. Telephone: 212.218.448 _____ Fax: 212-218-446 _____ Email: j e f f . w a r e @ h u d s o n h o u s i n g . c o m

D. Name of contact person: Jeff Ware _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

_____ Please see attached description

G. Which City agency or department is requesting this EDS? Housing and Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ **and Contract #** _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1.

Indicate the nature of the Disclosing Party:

- Person Limited liability company
- Publicly registered business corporation Limited liability partnership
- Privately held business corporation Joint venture
- Sole proprietorship Not-for-profit corporation
- General partnership (Is the not-for-profit corporation also a 501(c)(3))?
- Limited partnership Yes No
- Trust Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
John Zeiler _____	CEO _____
Sam Ganeshan _____	COO _____
Joseph A. Macari _____	Managing Director _____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of

Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is
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not an acceptable response.

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

None

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

None _____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to

City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City.",

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property

Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.I., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. 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.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but-has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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


Hudson Shops and Lofts LLC (Print or type name of Disclosing Party)

By: _____
(Sign here)

Joseph A. Macari _____
(Print or type name of person signing)

Managing Director _____
(Print or type title of person signing)

Signed and sworn to before me on (date) Jy?/*/^> 2.^1^ at New York County, New York ' (state).



Notary Public.

ROBERT J. CASTANO
NOTARY PUBLIC, State of New York
No. 02CA5009567
Qualified in New York County > ^ i-\—
Commission Expires March 15, ---- _—

Commission expires:

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 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 executive officers of the Disclosing Party listed in Section H.B.I.a., 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.

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Mahogany Shops 47, LLC _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 4270 Morse Road _____
Columbus, Ohio 43230

C. Telephone: 614-418-3100 _____ Fax: 614-418-3101 _____ Email: petruziello@skilken.com _____

D. Name of contact person: Frank R. Petruziello _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

G. Which City agency or department is requesting this EDS? Housing & Economic Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

- | | | |
|--|-------------------------------------|--------------------------|
| A. NATURE OF THE DISCLOSING PARTY 1. | Privately held business corporation | <input type="checkbox"/> |
| | Sole proprietorship | <input type="checkbox"/> |
| | General partnership | <input type="checkbox"/> |
| | Limited partnership | <input type="checkbox"/> |
| Indicate the nature of the Disclosing Party: | Trust | <input type="checkbox"/> |
| Person | f/j | <input type="checkbox"/> |
| Publicly registered business corporation | | <input type="checkbox"/> |

Not-for-profit corporation
the not-for-profit corporation also a 501(c)(3)?
 Yes No
Other (please specify)

Limited liability company Limited
liability partnership Joint venture

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Ohio

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

<u>Name</u>	<u>Title</u>
Frank R. Petruziello	Manager
Kenneth B. Gold	Manager
Adam K. Troy	Manager

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Skilken Chicago 47, LLC	4270 Morse Road Columbus, Ohio 43230	75%
Troy Chicago 47, LLC	10350 Widdington Close Powell, Ohio 43065	25%

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

[/] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below. N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the * course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes

No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

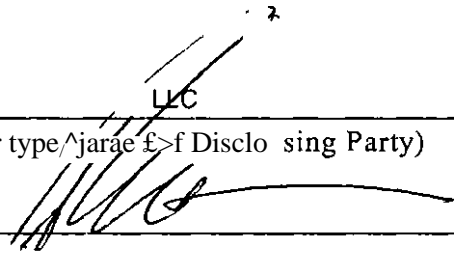
F.2 If the Disclosing Party is the Applicant, the Disclosing Party and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed by the U.S. E.P.A. on the federal Excluded Parties List System ("EPLS") maintained by the U. S. General Services Administration.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1, F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Mahogay LLC
(Print or type name of Disclosing Party)


Sign here) Frank R.


Petrzuiello

(Print or type name of person signing)

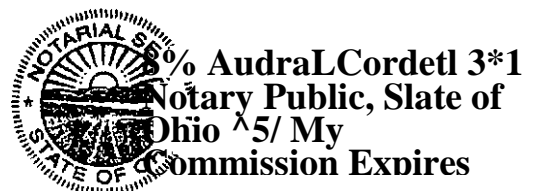
Manager

(Print or type title of person signing)

Signed and sworn to before me on (date) September ,2012
at Franklin _____ County, Ohio _____ (state).

 Notary Public.

Commission expires: 12/10/15



**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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

SECTION 1 -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Mahogany Chicago 47, LLC _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant
OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 4270 Morse Road _____
Columbus, Ohio 43230

C. Telephone: 614-418-3100 Fax: 614-418-3101 Email: petruziello@skilken.com

D. Name of contact person: Frank R. Petruziello _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

G. Which City agency or department is requesting this EDS? Housing & Economic Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

- | | | |
|--|--|-------------------------------------|
| A. NATURE OF THE DISCLOSING PARTY 1. | Publicly registered business corporation | <input type="checkbox"/> |
| | Privately held business corporation | <input type="checkbox"/> |
| | Sole proprietorship | <input type="checkbox"/> |
| Indicate the nature of the Disclosing Party: | General partnership | <input type="checkbox"/> |
| Person | Limited partnership | <input checked="" type="checkbox"/> |

Trust

Not-for-profit corporation
the not-for-profit corporation also a 501(c)(3)?
 Yes No
Other (please specify)

Limited liability company Limited
liability partnership Joint venture

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Ohio

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Frank R. Petruziello _____	Manager
Kenneth B. Gold _____	Manager
<u>Adam K. Troy _____</u>	<u>Manager</u>

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Skilken Chicago 47, LLC _____	4270 Morse Road _____	- 75% _____

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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 1 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.

Additional Information Sheet to Recertification
of Economic Disclosure Statement Supplement
Information Section IV Disclosure of
Subcontractors and Other Retained Parties

Gremley & Biedermann: (retained)	Prism Engineering: (retained)	203 North La Salle Street Suite 1900 Chicago, Illinois 60601
DLA Piper US LLP: (retained)	AllaManu, Inc.: (retained)	640
Pappageorge Hayines Partners: (retained)		
Applegate & Thome-Thomsen, P.C: (retained)	4505 North Elston Avenue Chicago, Illinois 60630	N , L

aSalle St, Suite 400 Chicago, tlh'nois 60654	\$10,000.00	\$20,000.00
626 W.Jackson Blvd. Suite 400 Chicago, 11 60661		
122 South Michigan Avenue Suite 1830 Chicago, Illinois 60603	\$35,000.00	
1700 VV. Irving Park Road Suite 202 Chicago, Illinois 60613	\$10,000.00	
	\$5,000.00	
	\$5,000.00	

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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding

the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is \ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes . No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by

virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.I., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

Page 9 of 13

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Page 10 of 13

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.L, F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Mahogany Chicago 47^J<HX ____
(Print or type name of Disclosing Party)

(Signature) Frank

R. Petruziello

(Print or type name of person signing)

Manager

(Print or type title of person signing)

Signed and sworn to before me on (date) September _____, 2012 ^
at Franklin _____ County, Ohio _____ (state).

flhAnn ^ dnjM

Notary Public. fi^tjsh

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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

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

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Skilken Chicago 47, LLC _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant
OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Mahogany Chicago 47, LLC & _____
OR
Mahogany Shops 47, LLC

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 4270 Morse Road _____
Columbus, Ohio 43230

C. Telephone: 614-418-3100 _____ Fax: 614-418-3101 _____ Email: petruziello@skilken.com _____

D. Name of contact person: Frank R. Petruziello _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

G. Which City agency or department is requesting this EDS? Housing & Economic Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party: Trust
Person
 Publicly registered business corporation Limited liability company Limited
 Privately held business corporation liability partnership Joint venture
 Sole proprietorship Not-for-profit corporation
 General partnership (Is the not-for-profit corporation also a 501(c)(3))?
 Limited partnership Yes No Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Ohio

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Frank R. Petruziello _____ Manager

Kenneth B. Gold _____ Manager

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Frank R. Petruziello	4270 Morse Road _____	50% _____

Columbus, Ohio 43230 _____

Kenneth B. Gold

4270 Morse Road _____ 50% _____

Columbus, Ohio 43230

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?

Yes

No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

/] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is \ \ is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Page 7 of 13

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes \ \ No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. 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.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes

No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

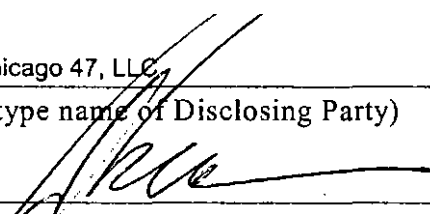
F.3 If the Disclosing Party is the Applicant, the Disclosing Party will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in F.1. and F.2. above and will not, without the prior written consent of the City, 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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1, F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Skilken Chicago 47, LLC
(Print or type name of Disclosing Party)

By: 
(Sign here)

Frank R. Petruzello
(Print or type name of person signing)

Manager
(Print or type title of person signing)

Signed and sworn to before me on (date) September _____, 2012 ;
at Franklin _____ County, Ohio _____ (state).

duAnzx. Jc CrndJj Notary Public. l^£r^&
----- **cNS\$!r^*=
Commission expires: 12/10/15 _____ .
----- ^SIRy % Commission Expires 12-10-2015

**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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Troy Chicago 47, LLC _____

Check ONE of the following three boxes: '

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: Mahogany Chicago 47, LLC & _____
OR Mahogany Shops 47, LLC

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10350 Widdington Close _____
Powell, Ohio 43065

C. Telephone: 614-989-9793 _____ Fax: _N/A_____ Email: troy@skilken.com _____

D. Name of contact person: Adam K. Troy _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

City financing and conveyance of City property in connection with a mixed-use project consisting of one new multi-use building, three new residential buildings and one renovated residential building to be located generally at 47th and South Cottage Grove Avenue, including residential rental units, a full-service grocery store and other commercial/retail space.

G. Which City agency or department is requesting this EDS? Housing & Economic Development _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1. Publicly registered business corporation
Privately held business corporation
Sole proprietorship
Indicate the nature of the Disclosing Party: General partnership (Is
Person f/] Limited partnership

Trust

Not-for-profit corporation
the not-for-profit corporation also a 501(c)(3)?
 Yes No
Other (please specify)

Limited liability company Limited
liability partnership Joint venture

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: Ohio

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title	
Adam K. Troy		Sole Member
_____	_____	_____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Adam K. Troy	10350 Widdington Close	100%
_____	_____	_____

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?

Yes

No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
---	-------------------------	---	--

f/] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities. 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 on any child support obligations by any Illinois court of competent jurisdiction?

- Yes
- No
- No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

- Yes
- 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.

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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A

Page 6 of 13

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").
N/A

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. N/A

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.L, provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. 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.

1. 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.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments of profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

. Page 9 of 13

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three

questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes

No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Page 10 of 13

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.


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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1, F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Troy Chicago 47, LLC _____
(Print or type name of Disclosing Party)

By:  _____
(Sign here)

Adam K. Troy
(Print or type name of person signing) Sole
Member
(Print or type title of person signing)

Signed and sworn to before me on (date) September 17, 2012

Audra L. Cordell Notary Public.

Commission expires: 12/10/15



Audra L. Cordell
Notary Public, State of Ohio
My Commission Expires 12-10-2015

at Franklin _____ County, Ohio _____ (state).

**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 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 executive officers of the Disclosing Party listed in Section HB.1 .a., 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.

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

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

JPMorgari Chase & Co. _____

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant

OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: JPMorgan Chase Bank, NA _____

OR

3. a legal entity with a right of control (sec Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 10 S Dearborn, Floor 19 _____
Chicago, IL 60603

C Telephone: (312)325-5053 Fax: (312)325-5050 Email: paul.c.vlamis@chase.com

D. Name of contact person: Paul vlamis _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable): Bank is directly purchasing tax exempt bonds and act as a fiscal agent for the construction of affordable housing at the Shops and Lofts project at 47th and Cottage Grove.

G. Which City agency or department is requesting this EDS? Dept of Mousing and Economic Dev.

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # ■ _____ and Contract // _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party: [
] Person [] Publicly registered business [] Limited liability company [] Limited liability corporation [] Privately held business partnership [] Joint venture [] Not-for-profit corporation [] Sole proprietorship [] General corporation (Is the not-for-profit corporation also a partnership () 501(c)(3))?
[] Limited partnership
[] Trust [] Yes No
[] Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:
Delaware

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in. the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title SEE ATTACHMENT A

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None, to the best of the Disclosing Party's knowledge and belief _____		

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?

Yes No SEE ATTACHMENT B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
SEE ATTACHMENT B

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
--	------------------	--	---

(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No **[X]** No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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 1 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.

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: **SEE ATTACHMENT B**

- 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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-1 56 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT B

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

SEE ATTACHMENT B

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general

public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Aid. Ray Suarez: Meal \$14.00; Meal \$25.00 _____

Aid. Rey Colon: Meal \$45.00 _____

Mayor Rahm Emanuel: Meal \$21.00

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We arc not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?
Yes No SEE ATTACHMENT B

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken

pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.L, provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

ii. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

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comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

___ 1. 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.

X 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SEE ATTACHMENT C

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1 through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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..

The Disclosing Party represents and warrants that:

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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.

SEE ATTACHMENT B

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1, F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

JPMORGAN CHASE & CO. _____
(Print or typename of Disclosing Party)

(Sign here)

ERIC ROCKHOLD _____
(Print or type name of person signing)

MANAGING DIRECTOR _____
(Print or type title of person signing)

Signed and sworn to before me on (date)
a-l— POplc County, (L (state)).

Yt^UC- \y Notary Public.
/ -----(rt—^-.^y-

ORIGINAL SEAL M.
^THA A. OAMARJLLO NOTARY
PUBLIC. STATE OP ILLINOIS MY
COMMISSION EXPIRJEES 06/21/15

Commission expires:

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**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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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 To the best of the Disclosing Party's knowledge and belief

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.

**ATTACHMENT
A TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an
Entity Holding an Interest in an Applicant)**

Directors

James A. Bell
Crandall C. Bowles
Stephen B. Burke
David M. Cote James
S. Crown James
Dimon Timothy P.
Flynn Ellen V. Putter
Laban P. Jackson, Jr.
Lee R. Raymond
William C. Weldon

James Dimon	Executive Officers/Operating Committee Chairman of the Board, President and Chief Executive Officer Co-Chief Operating Officer & Chief Executive Officer, Mortgage
Frank J. Bisignano	Banking Chief Financial Officer Co-Chief Executive Officer, Corporate & Investment Bank
Douglas L. Braunstein	General Counsel
Michael J. Cavanagh	Head of Human Resources
Stephen M. Cutler	Chief Executive Officer, Asset Management
John L. Donnelly	Chief Risk Officer
Mary Callahan Erdoes	Co-Chief Executive Officer, Consumer & Community Banking
John J. Hogan Samuel	Co-Chief Executive Officer, Corporate & Investment Bank Chief
Todd Maclin	Executive Officer of Commercial Banking Co-Chief Executive Officer, Consumer & Community Banking
Daniel E. Pinto	Chairman, Corporate & Investment Bank
Douglas B. Petno	Co- Chief Operating Officer
Gordon A. Smith	Head of Corporate and Regulatory Affairs
James E. Staley	
Matthew E. Zames	
Barry L. Zubrow	

**ATTACHMENT B
TO**

**CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an
Entity Holding an Interest in an Applicant)**

The following responses were prepared with the assistance and advice of employees of the Disclosing Party:

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

The Disclosing Party has knowledge of a "business relationship" during the 12 months prior to the date of execution of the foregoing Economic Disclosure Statement and Affidavit between JPMorgan Chase Bank, N.A. and the law firm of Klafter and Burke. Klafter and Burke has provided real estate tax protest legal services on behalf of JPMorgan Chase Bank, N.A. Alderman Edward M. Burke is a partner of the firm of Klafter and Burke. This information is updated on a semi-annual basis.

SECTION V: CERTIFICATIONS

B. FURTHER CERTIFICATIONS

The Disclosing Party certifies the accuracy of the statements contained in Section V, paragraph B.2.a. through and including B.2.e. only as to itself. The Disclosing Party certifies that to the best of the Disclosing Party's knowledge such statements are accurate with respect to the executive officers and directors of the Disclosing Party. With respect to Section V, paragraph B.2.b. and B.2.e., the Disclosing Party may have been found liable in a civil judgment or proceeding(s) within the five years preceding the date of this EDS instituted by the City or by the federal government, any state, or any other unit of local government. The Disclosing Party certifies that none of these judgments, individually or in the aggregate, would have a material adverse effect on its or the Applicant's financial condition or the ability of the Applicant to perform under its contract with the City. In addition, to the best of the Disclosing Party's knowledge and belief, the Disclosing Party has not, in the past five years, been found after a judicial or administrative hearing to be in violation of any environmental law or regulation, except for possible violations related to (i) property mortgaged to the Disclosing Party, (ii) property owned by the Disclosing Party and leased to others, (iii) foreclosed property now owned by the Disclosing Party and (iv) property owned or held by the Disclosing Party as a fiduciary or nominee. The Disclosing Party's operations are conducted at numerous owned and leased locations throughout the world. From time to time, the Disclosing Party is cited for not being in compliance with an environmental law or regulation. These matters are generally routine and are promptly addressed by the Disclosing Party.

The Disclosing Party certifies the accuracy of the statements contained in Section V, paragraphs B.3. and B.4. only as to itself. The Disclosing Party also certifies that to the best of the Disclosing Party's knowledge such statements are accurate with respect to any Affiliated Entity or any responsible official of the Disclosing Party or any Affiliated Entity or any other official, agent or employee of the Disclosing Party or any Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any Affiliated Entity.

The Disclosing Party does not make any certification whatsoever with respect to any Applicable Party other than the Disclosing Party. The Disclosing Party also certifies that it has not engaged any sub-contractor with respect to the Matter.

The Disclosing Party certifies the statement in Section V, paragraph B.8. that, to the best of the Disclosing Party's knowledge and belief after reasonable inquiry, there are three (3) current JPMorgan Chase Bank, N.A. employees that were previous City of Chicago employees during the 12-month period preceding the execution date of this EDS. None of these three (3) employees are current Directors or Executive Officers of the Operating Committee. Disclosing Party does not disclose employee names in public documents but will make said list of applicable employee names available for review by an appropriate City of Chicago representative at Disclosing Party's Chicago, Illinois location. In addition, the Disclosing Party's Code of Conduct requires all of its employees to obtain pre-approval for part-time employment. To the best of Disclosing Party's knowledge and belief after a reasonable inquiry there were no requests submitted for part-time employment with the City of Chicago during such 12-month period.

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best of the Disclosing Party's knowledge no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Disclosing Party cannot (and does not) make the certification required because the Disclosing Party does not and will not have control over all means of acquiring a financial interest in the Matter.

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

F.1. The Disclosing Party certifies statements contained in Section VII, paragraph F.1. to the best of the Disclosing Party's knowledge and belief that neither the Disclosing Party nor its affiliates are delinquent in paying any fine, fee, tax or other charge owed to the State of Illinois or the City of Chicago except for taxes that are being contested in good faith by appropriate legal proceeding and possible delinquencies in paying a fine, fee, tax or other charge related to (i) property mortgaged to the Disclosing Party or its affiliates, (ii) property owned by the Disclosing Party or its affiliates and leased to others, (iii) foreclosed property • now owned by the Disclosing Party or its affiliates, (iv) property owned or held by the Disclosing Party or its affiliates as a fiduciary or nominee, and (v) fines, fees, taxes or other

charges that are being contested in good faith by the Disclosing Party or its affiliates by appropriate legal proceeding. If there are any outstanding claims that the Disclosing Party is notified of that Disclosing Party was not aware of previously, Disclosing Party will immediately address them.

**ATTACHMENT C
TO
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an Entity
Holding an Interest in an Applicant)**

SECTION V -- CERTIFICATIONS

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS.

The Disclosing Party was formed on July 1, 2004, when JPMorgan Chase & Co. acquired Bank One Corporation ("Bank One").

With regard to predecessors of the Disclosing Party as it existed prior to the Bank One Corporation acquisition ("JPMorgan Chase"), the Disclosing Party reports that J. Pierpont Morgan, Sr. was associated with George Peabody & Company and J.S. Morgan & Company (the "Peabody Firms") before he founded Drexel Morgan & Company, which ultimately became part of JPMorgan Chase. Capital supplied by Junius S. Morgan and J. Pierpont Morgan, Sr. appears to have been used to capitalize Drexel Morgan & Company in 1871. Upon the death of Junius S. Morgan, J.S. Morgan & Company came under the control of J. Pierpont Morgan, Sr. and became affiliated with J.P. Morgan & Co. Records indicate that the Peabody Firms had customers that appear to have used enslaved individuals.

JPMorgan Chase and Bank One had predecessor banks in states outside the South that purchased notes issued by, issued letters of credit or made loans to, and/or maintained, correspondent accounts with municipalities, banks, companies and individuals located in Southern states where slavery was practiced during the slavery era. These municipalities, banks, companies and individuals are listed on Attachment 1.

Bank One had predecessor banks before 1866 in three Southern states: Kentucky, Louisiana and Virginia. Searches revealed slavery-related information about two Louisiana banks, the Canal Bank (formed in 1831) and the Citizens Bank (formed in 1833), and the Lexington branch of the second Bank of Kentucky (formed in 1835). In 1924 Citizens Bank and Canal Bank merged. Predecessors of JPMorgan Chase had longstanding banking relationships with Canal Bank and its predecessors (see Attachment 1), were creditors of Canal Bank and, in 1931, it appears that a predecessor of JPMorgan Chase led a group of investors that provided capital to Canal Bank and this predecessor of JPMorgan Chase became a shareholder and took a controlling management interest in the Canal Bank. The Canal Bank was placed into liquidation in March-May 1933 based on actions by the State of Louisiana and the federal government. In May 1933, The National Bank of Commerce in New Orleans was formed pursuant to an executive order approved by President Roosevelt and its assets included some of the deposits and loans of the old Canal Bank. Most of the capital for The National Bank of Commerce was provided by the Reconstruction Finance Corporation (owned by the U.S. government), with the remainder coming from new shareholders. The U.S. government also provided over \$13 million toward the liquidation of the old Canal Bank. In 1947 and 1969, The National Bank of Commerce in New Orleans made two grants to Tulane University, which included

archives of the Citizens Bank and Canal Bank. These materials are held at the Tulane Manuscripts Department, Special Collections Division, Howard-Tilton Memorial Library at Tulane University in New Orleans, Louisiana (collectively, the "Tulane Records"). In 1865, the First National Bank of Lexington (subsequently a part of First Security Corporation of Kentucky which was acquired by Bank One in 1992) was formed and assumed the operations of the Lexington Branch of the second Bank of Kentucky. Public records pertaining to the Lexington Branch of the second Bank of Kentucky have been discovered that contain records relevant to this certification (the "Lexington Records"). The Tulane Records, the Lexington Records and other records indicate that:

1. Citizens Bank and Canal Bank provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals.. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 21,000 enslaved individuals were listed among the collateral covered by mortgages given to the Louisiana banks.
2. The Lexington Branch of the second Bank of Kentucky also provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1835 to 1865, taking into account the duplication and/or absence of exact data, approximately 55 enslaved individuals were listed among the collateral covered by mortgages given to the Lexington Branch of the second Bank of Kentucky.
3. When mortgages went unpaid, the banks could initiate foreclosure proceedings. When this occurred, the bank could take ownership of the collateral. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 1,300 enslaved individuals were listed among the collateral that the Louisiana banks came to own. There is no evidence of foreclosure proceedings initiated by the Lexington Branch of the second Bank of Kentucky.

Attachment 2 lists information on mortgages as to which one of the Louisiana banks came to own enslaved individuals through foreclosure proceedings, including, where available, the names of those individuals and their prior or subsequent owners. Attachment 3 lists information on mortgages as to which one of the three banks held collateral that included enslaved individuals, including, where available, the names of those individuals and their prior or subsequent owners. The attachments will be supplemented as necessary to reflect any additional information located.

On September 25, 2008, JPMorgan Chase Bank, N.A. (a subsidiary of the Disclosing Party) acquired from the Federal Deposit Insurance Corporation, as the Receiver of Washington Mutual Bank, Henderson NV, certain assets of Washington Mutual Bank.

A review of the records of Washington Mutual Bank, including the records of its predecessor entities, has disclosed no evidence that Washington Mutual Bank nor any of its predecessors had any investments or profits from slavery, any direct involvement in the slave trade, any direct ownership in slaves, or any slaveholder insurance policies from the slavery era. There is

evidence, however, that one predecessor entity, The Bowery Savings Bank, New York (1834) ("Bowery Savings"), purchased a \$100,000 bond of a slave holding state, North Carolina. A total of \$44,000 was paid to Bowery Savings by North Carolina in 1868 on account of the bond.

**ATTACHMENT 1
TO
ATTACHMENT C TO
CITY OF CHICAGO ECONOMIC
DISCLOSURE STATEMENT AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an Entity
Holding an Interest in an Applicant)**

Agricultural Bank of Mississippi
Baltimore & Ohio Rail Road Company
Bank of Alabama
Bank of Alexandria (Virginia)
Bank of Ashland at Shelby ville
Bank of Augusta (Georgia)
Bank of Kentucky
Bank of Louisiana
Bank of Louisville
Bank of Metropolis
Bank of Mobile
Bank of Missouri
Bank of North Carolina
Bank of South Carolina
Bank of the State of Missouri
Bank of Tennessee
Bank of Virginia
Barnett, Ellison & Co.
Beers & Brunell
Beers & Co.
Canal & Rail Road Bank of Vicksburg
Carrolton Bank of New Orleans
Charleston Fire & Marine Insurance Company
Chattahoochee Rail Road and Banking Company
City Bank of New Orleans
Commercial & Rail Road Bank of Vicksburg
Commercial Bank of Manchester (Mississippi)
Commercial Bank of New Orleans
Commercial Bank of Selma
Corporation of the City of New Orleans
Corporation of the City of Savannah
Davis & Davis
Delaware & Hudson Canal Company
E.I. Forestall of New Orleans
ER Tyler of New Orleans
E. Warfield, Lexington, Kentucky
Exchange & Banking Company of New Orleans

Exchange Bank of Virginia at Richmond
Franklin Bank of Baltimore First Bank of
Richmond
Hunt, Morton & Quigby of Louisville (Kentucky) J.D.
Beers & Co.

Louisiana & Nashville Railroad Company
Mechanics & Traders Bank of New Orleans
Merchant & Planters Bank of Savannah
Merchants Bank of Baltimore Mississippi
Sound Company Mr. Pastoret
Mr. S. Reid Irving & Co. (Cotton) Nashville
and Northwestern Rail Road Co. New Orleans
Canal & Banking Company North Western
Bank of Virginia
Philadelphia, Wilmington & Baltimore Rail Road Company
Planters & Mechanics Bank of Charleston
Planters & Mechanics Bank of Mobile
Planters & Merchants Bank of Charleston
Planters Bank of Jackson (Mississippi)
Planters Bank of Natchez
Planters Bank of Savannah
Planters Bank of Tennessee
Robert Kinder House
Ross & Coleman
South Western Rail Road Bank of Charleston
Southern Bank of Alabama Southern Bank of
Kentucky
Southern Life Insurance & Trust Company of Florida
Southern Trust Company
Southwestern Rail Road Bank (South Carolina)
S. Reid Irving & Company
State & Metcalf of Gainsville, Georgia
State of Alabama .
State of Florida
State of Georgia
State of Mississippi
T.T. Crittenden, Lexington and I Iuntsville, Kentucky
Tuscumbice and Decatur Rail Road Company Union
Bank of Charleston Union Bank of Florida Union Bank of
Tennessee

**ATTACHMENT
2 TO
ATTACHMENT C
TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an
Entity Holding an Interest in an Applicant)**

ENSLAVED INDIVIDUALS OWNED BY
CITIZENS BANK OF LOUISIANA AND NEW
ORLEANS CANAL & BANKING COMPANY

**ATTACHMENT
3 TO
ATTACHMENT
C TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY JPMORGAN CHASE & CO. (as an
Entity Holding an Interest in an Applicant)**

ENSLAVED INDIVIDUALS MORTGAGED TO CITIZENS BANK
OF LOUISIANA, NEW ORLEANS CANAL & BANKING
COMPANY AND LEXINGTON BRANCH OF THE SECOND
BANK OF KENTUCKY

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

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: JPMorgan
Chase Bank, National Association

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. the Applicant
OR

2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____ / _____
OR

3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: IPS Dearborn, Floor 19 _____
Chicago, IL 6603 _____

C. Telephone: (312)325-5053 Fax: (312)325.-5050 Email: paul.c.vlamis@chasc.com

D. Name of contact person: Paul Vlamis _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):
Bank is directly purchasing tax exempt bonds and will act as a fiscal agent for the construction of affordable housing at the Shops and Lofts project at 47th and Cottage Grove.

G. Which City agency or department is requesting this EDS? ^{DeP}l of Housing and Economic Dev.

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- General partnership
- Limited partnership
- Trust
- Limited liability company
- Limited liability partnership
- Joint venture
- Not-for-profit corporation
(Is the not-for-profit corporation also a 501 (c)(3))?
- Yes No
- Other (please specify)
national banking association

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable: No state.

Disclosing party is organized under the federal laws of the United States of America.

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes
- No
- N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf

Name Title SEE ATTACHMENT A

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the' Disclosing Party
JPMorgan Chase & Co.	270 Park Avenue _____	100% _____

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?

Yes No SEE ATTACHMENT B

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):
SEE ATTACHMENT B

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.

Name (indicate whether retained or anticipated)	Business Address to be retained)	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response. Estimated: \$75,000
Derek Cottier/Dykema Retained	10 S Wacker Drive Suite 2300 Chicago, IL 60606	Attorney	

(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 die contract's term.

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

Yes No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes No

B. FURTHER CERTIFICATIONS

SEE ATTACHMENT B

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.

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: SEE ATTACHMENT B

- 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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

6. The Disclosing Party understands and shall comply with the applicable requirements of Chapters 2-55 (Legislative Inspector General), 2-56 (Inspector General) and 2-1 56 (Governmental Ethics) of the Municipal Code.

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

SEE ATTACHMENT B

Page 6 of 13

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

SEE ATTACHMENT B

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS. to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

Aid. Ray Suarez: Meal \$14.00; Meal \$25.00 _____

Aid. Rey Colon: Meal \$45.00 _____

Mayor Rahm Emanuel: Meal \$21.00

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (Check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee. SEE ATTACHMENT B

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this, EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

___1. 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.

v

___2. The Disclosing Party verifies that, as a result of conducting the search in step I above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SEE ATTACHMENT C

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): N/A

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A. I. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

Page 9 of 13

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below.

1.. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (Sec 41 CFR Part 60-2.) Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Page 10 of 13

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics. 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.

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 2-1 54-020 of the Municipal Code.

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.

SEE ATTACHMENT B

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

JPMorgan Chase Bank. National Association

(Print or type name of Disclosing Party)

By: hottj^ C.

(Sign here)

Paul C. Vlamis

(Print or type name of person signing)

Authorized Officer

(Print or type title of person signing)

Signed and sworn to before me on (date) /"^-^//
at __Cf>ol<- _____ County, / (— _____ (state).

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Notary Public

Commission expires: ____ (p ^ ^^jl^

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MARTHA A. CAMAR
MARTHA A. CAMARILLO NOTARY
PUBLIC, STATE OF ILLINOIS MY
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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 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 executive officers of the Disclosing Party listed in Section il.B.l.a., 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 To the best of the Disclosing Party's knowledge and belief

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.

(as an Applicant)

Directors

James Dimon Frank J.
Bisignano Douglas L.
Braunstein James S.
Crown Laban P. Jackson,
Jr. Barry L. Zubrow

Executive Officers/Operating Comm Ittee

James Dimon	Chairman of the Board, President and Chief Executive Officer
Frank J. Bisignano	Co-Chief Operating Officer & Chief Executive Officer, Mortgage Banking Chief Financial Officer
Douglas L. Braunstein	Co-Chief Executive Officer, Corporate & Investment Bank
Michael J. Cavanagh	General Counsel
Stephen M. Cutler John	Head of Human Resources
L. Donnelly Mary	Chief Executive Officer, Asset Management
Callahan Erdoes John J.	Chief Risk Officer
Hogan Samuel Todd Maclin	Co-Chief Executive Officer, Consumer & Community Banking
Daniel E. Pinto	Co-Chief Executive Officer, Corporate & Investment Bank
Douglas B. Petno	Chief Executive Officer of Commercial Banking Co-Chief Executive Officer, Consumer & Community Banking
Gordon A. Smith	Chairman, Corporate & Investment Bank
	Co- Chief Operating Officer
James E. Staley	Head of Corporate and Regulatory Affairs
Matthew E. Zames	
Barry L. Zubrow	

**ATTACHMENT B
TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(as an Applicant)**

The following responses were prepared with the assistance and advice of employees of the Disclosing Party:

SECTION III: BUSINESS RELATIONSHIPS WITH CITY ELECTED OFFICIALS

The Disclosing Party has knowledge of a "business relationship" during the 12 months prior to the date of execution of the foregoing Economic Disclosure Statement and Affidavit between JPMorgan Chase Bank, N.A. and the law firm of Klafter and Burke. Klafter and Burke has provided real estate tax protest legal services on behalf of JPMorgan Chase Bank, N.A. Alderman Edward M. Burke is a partner of the firm of Klafter and Burke. This information is updated on a semi-annual basis.

SECTION V: CERTIFICATIONS

B. FURTHER CERTIFICATIONS

Disclosing Party certifies the accuracy of the statement contained in Section V. paragraph B.1. only as to itself. Disclosing Party certifies that to the best of the Disclosing Party's knowledge and belief such statements in paragraph B.1. are accurate with respect to a Controlling person of the Disclosing Party.

The Disclosing Party certifies the accuracy of the statements contained in Section V, paragraph B.2.a. through and including B.2.e. only as to itself. The Disclosing Party certifies that to the best of the Disclosing Party's knowledge such statements are accurate with respect to the executive officers and directors of the Disclosing Party. With respect to Section V, paragraph B.2.b. and B.2.e., the Disclosing Party may have been found liable in a civil judgment or proceeding(s) within the five years preceding the date of this EDS instituted by the City or by the federal government, any state, or any other unit of local government. The Disclosing Party certifies that none of these judgments, individually or in the aggregate, would have a material adverse effect on its financial condition or its ability to perform under its contract with the City. In addition, to the best of the Disclosing Party's knowledge and belief, the Disclosing Party has not, in the past five years, been found after a judicial or administrative hearing to be in violation of any environmental law or regulation, except for possible violations related to (i) property mortgaged to the Disclosing Party, (ii) property owned by the Disclosing Party and leased to others, (iii) foreclosed property now owned by the Disclosing Party, and (iv) property owned or held by the Disclosing Party as a fiduciary or nominee. The Disclosing Party's operations are conducted at numerous owned and leased locations throughout the world. From time to time, the Disclosing Party is cited for not being in compliance with an environmental law or regulation. These matters are generally routine and are promptly addressed by the Disclosing Party

The Disclosing Party certifies the accuracy of the statements contained in Section V, paragraphs B.3. and B.4. only as to itself. The Disclosing Party also certifies that to the best of the Disclosing Party's knowledge such statements are accurate with respect to any Affiliated Entity or any responsible official of the

Disclosing Party or any Affiliated Entity or any other official, agent or employee of the Disclosing Party or any Affiliated Entity acting in such capacity pursuant to the direction or authorization of a responsible official of the Disclosing Party or any Affiliated Entity.

The Disclosing Party does not make any certification whatsoever with respect to any Applicable Party other than the Disclosing Party. The Disclosing Party also certifies that it has not engaged any sub-contractor with respect to the Matter.

The Disclosing Party certifies the statement in Section V, paragraph B.8. that, to the best of the Disclosing Party's knowledge and belief after reasonable inquiry, there are three (3) current JPMorgan Chase Bank, N.A. employees that were previous City of Chicago employees during the 12-month period preceding the execution date of this EDS. None of these three (3) employees are current Directors or Executive Officers of the Operating Committee. Disclosing Party does not disclose employee names in public documents but will make said list of applicable employee names available for review by an appropriate City of Chicago representative at Disclosing Party's Chicago, Illinois location. In addition, the Disclosing Party's Code of Conduct requires all of its employees to obtain pre-approval for part-time employment. To the best of Disclosing Party's knowledge and belief after a reasonable inquiry there were no requests submitted for part-time employment with the City of Chicago during such 12-month period.

D. INTEREST IN CITY BUSINESS

As to the disclosure set forth in Section V, paragraph D.1., to the best of the Disclosing Party's knowledge no official or employee of the City of Chicago has a financial interest in his or her own name or in the name of any other person in the Matter.

As to the disclosure set forth in Section V, paragraph D.4., the Disclosing Party cannot (and does not) make the certification required because the Disclosing Party does not and will not have control over all means of acquiring a financial interest in the Matter.

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

F.1. The Disclosing Party certifies statements contained in Section VII, paragraph F.1. to the best of the Disclosing Party's knowledge and belief that neither the Disclosing Party nor its affiliates are delinquent in paying any fine, fee, tax or other charge owed to the State of Illinois or the City of Chicago except for taxes that are being contested in good faith by appropriate legal proceeding and possible delinquencies in paying a fine, fee, tax or other charge related to (i) property mortgaged to the Disclosing Party or its affiliates, (ii) property owned by the Disclosing Party or its affiliates and leased to others, (iii) foreclosed property now owned by the Disclosing Party or its affiliates, (iv) property owned or held by the Disclosing Party or its affiliates as a fiduciary or nominee, and (v) fines, fees, taxes or other charges that are being contested in good faith by the Disclosing Party or its affiliates by appropriate legal proceeding. If there are any outstanding claims that the Disclosing Party is

notified of that Disclosing Party was not aware of previously, Disclosing Party will immediately address them.

**ATTACHMENT C
TO
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT
FILED BY
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(as an Applicant)**

SECTION V - CERTIFICATIONS

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS.

The Disclosing Party assumed its current name on November 13, 2004, when JPMorgan Chase Bank, a New York banking corporation, was converted into a national banking association under the name JPMorgan Chase Bank, National Association, and both Bank One, National Association (main office Chicago) and Bank One, National Association (main office Columbus) merged into it with the Disclosing Party being the surviving entity.

With regard to predecessors of the Disclosing Party as it existed prior to such merger ("JPMorgan Chase"), the Disclosing Party reports that J. Pierpont Morgan, Sr. was associated with George Peabody & Company and J.S. Morgan & Company (the "Peabody Firms") before he founded Drexel Morgan & Company, which ultimately became part of JPMorgan Chase. Capital supplied by Junius S. Morgan and J. Pierpont Morgan, Sr. appears to have been used to capitalize Drexel Morgan & Company in 1871. Upon the death of Junius S. Morgan, J.S. Morgan & Company came under the control of J. Pierpont Morgan, Sr. and became affiliated with J.P. Morgan & Co. Records indicate that the Peabody Firms had customers that appear to have used enslaved individuals.

JPMorgan Chase and the Bank One banks referred to above (collectively, "Bank One") had predecessor banks in states outside the South that purchased notes issued by, issued letters of credit or made loans to, and/or maintained correspondent accounts with municipalities, banks, companies and individuals located in Southern states where slavery was practiced during the slavery era. These municipalities, banks, companies and individuals are listed on Attachment 1.

Bank One had predecessor banks before 1866 in three Southern states: Kentucky, Louisiana and Virginia. Searches revealed slavery-related information about two Louisiana banks, the Canal Bank (formed in 1831) and the Citizens Bank (formed in 1833), and the Lexington branch of the second Bank of Kentucky (formed in 1835). In 1924 Citizens Bank and Canal Bank merged. Predecessors of JPMorgan Chase had longstanding banking relationships with Canal Bank and its predecessors (see Attachment 1), were creditors of Canal Bank and, in 1931, it appears that a predecessor of JPMorgan Chase led a group of investors that provided capital to Canal Bank and this predecessor of JPMorgan Chase became a shareholder and took a controlling management interest in the Canal Bank. The Canal Bank was placed into liquidation in March-May 1933 based on actions by the State of Louisiana and the federal government. In May 1933, The National Bank of Commerce in New Orleans was formed pursuant to an executive order approved by President Roosevelt and its assets included some of the deposits and loans of the old Canal Bank. Most of the capital for The National Bank of Commerce was provided by the Reconstruction Finance Corporation (owned by the U.S. government), with the remainder coming from new shareholders. The U.S. government also provided over \$13 million toward the liquidation of the old Canal Bank. In 1947 and 1969, The National Bank of Commerce in New Orleans made two grants to Tulane University, which included

archives of the Citizens Bank and Canal Bank. These materials are held at the Tulane Manuscripts Department, Special Collections Division, Howard-Tilton Memorial Library at Tulane University in New Orleans, Louisiana (collectively, the "Tulane Records"). In 1865, the First National Bank of Lexington (subsequently a part of First Security Corporation of Kentucky which was acquired by Bank One in 1992)

was formed and assumed the operations of the Lexington Branch of the second Bank of Kentucky. Public records pertaining to the Lexington Branch of the second Bank of Kentucky have been discovered that contain records relevant to this certification (the "Lexington Records"). The Tulane Records, the Lexington Records and other records indicate that:

1. Citizens Bank and Canal Bank provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 21,000 enslaved individuals were listed among the collateral covered by mortgages given to the Louisiana banks.
2. The Lexington Branch of the second Bank of Kentucky also provided credit to plantation owners and accepted mortgages from them. The collateral covered by these mortgages included land, equipment and/or enslaved individuals. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1835 to 1865, taking into account the duplication and/or absence of exact data, approximately 55 enslaved individuals were listed among the collateral covered by mortgages given to the Lexington Branch of the second Bank of Kentucky.
3. When mortgages went unpaid, the banks could initiate foreclosure proceedings. When this occurred, the bank could take ownership of the collateral. The available records do not always provide the names of enslaved individuals. The Disclosing Party, however, estimates that, from 1831 to 1865, taking into account the duplication and/or absence of exact data, approximately 1,300 enslaved individuals were listed among the collateral that the Louisiana banks came to own. There is no evidence of foreclosure proceedings initiated by the Lexington Branch of the second Bank of Kentucky.

Attachment 2 lists information on mortgages as to which one of the Louisiana banks came to own enslaved individuals through foreclosure proceedings, including, where available, the names of those individuals and their prior or subsequent owners. Attachment 3 lists information on mortgages as to which one of the three banks held collateral that included enslaved individuals, including, where available, the names of those individuals and their prior or subsequent owners. The attachments will be supplemented as necessary to reflect any additional information located.

On September 25, 2008, the Disclosing Party acquired from the Federal Deposit Insurance Corporation, as the Receiver of Washington Mutual Bank, Henderson, NV (the "Receiver") certain assets of Washington Mutual Bank.

A review of the records of Washington Mutual Bank, including the records of its predecessor entities, has disclosed no evidence that Washington Mutual Bank nor any of its predecessors had any investments or profits from slavery, any direct involvement in the slave trade, any direct ownership in slaves, or any slaveholder insurance policies from the slavery era. There is evidence, however, that one predecessor entity, The Bowery Savings Bank, New York (1834) ("Bowery Savings"), purchased a \$100,000 bond of a slave holding state, North Carolina. A total of \$44,000 was paid to Bowery Savings by North Carolina in 1868 on account of the bond.

**ATTACHMENT 1 TO
ATTACHMENT C TO
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT
AND AFFIDAVIT
FILED BY
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(as an Applicant)**

Agricultural Bank of Mississippi
Baltimore & Ohio Rail Road Company
Bank of Alabama
Bank of Alexandria (Virginia)
Bank of Ashland at Shelbyville
Bank of Augusta (Georgia)
Bank of Kentucky
Bank of Louisiana
Bank of Louisville
Bank of Metropolis
Bank of Mobile
Bank of Missouri
Bank of North Carolina
Bank of South Carolina
Bank of the State of Missouri
Bank of Tennessee
Bank of Virginia
Barnett, Ellison & Co.
Beers & Brunell
Beers & Co.
Canal & Rail Road Bank of Vicksburg
Carrolton Bank of New Orleans
Charleston Fire & Marine Insurance Company
Chattahoochee Rail Road and Banking Company
City Bank of New Orleans
Commercial & Rail Road Bank of Vicksburg
Commercial Bank of Manchester (Mississippi)
Commercial Bank of New Orleans
Commercial Bank of Selma
Corporation of the City of New Orleans
Corporation of the City of Savannah
Davis & Davis
Delaware & Hudson Canal Company
E.I. Forestall of New Orleans
ER Tyler of New Orleans
E. Warfield, Lexington, Kentucky
Exchange & Banking Company of New Orleans
Exchange Bank of Virginia at Richmond
Franklin Bank of Baltimore

First Bank of Richmond
Hunt, Morton & Quigby of Louisville (Kentucky) J.D.
Beers & Co.
Louisiana & Nashville Railroad Company
Mechanics & Traders Bank of New Orleans
Merchant & Planters Bank of Savannah
Merchants Bank of Baltimore Mississippi
Sound Company Mr. Pastoret
Mr. S. Reid Irving & Co. (Cotton) Nashville and
Northwestern Rail Road Co. New Orleans Canal
& Banking Company North Western Bank of
Virginia
Philadelphia, Wilmington & Baltimore Rail Road Company

Planters & Mechanics Bank of Charleston
Planters & Mechanics Bank of Mobile
Planters & Merchants Bank of Charleston
Planters Bank of Jackson (Mississippi) '
Planters Bank of Natchez
Planters Bank of Savannah
Planters Bank of Tennessee
Robert Kinder House
Ross & Coleman
South Western Rail Road Bank of Charleston
Southern Bank of Alabama Southern Bank of
Kentucky
Southern Life Insurance & Trust Company of Florida
Southern Trust Company
Southwestern Rail Road Bank (South Carolina)
S. Reid Irving & Company
State & Metcalf of Gainsville, Georgia
State of Alabama
State of Florida
State of Georgia
State of Mississippi
T.T. Crittenden, Lexington and Huntsville, Kentucky
Tuscumbice and Decatur Rail Road Company Union
Bank of Charleston Union Bank of Florida Union Bank of
Tennessee

**ATTACHMENT
2 TO
ATTACHMENT
C TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(as an Applicant)**

ENSLAVED INDIVIDUALS OWNED BY
CITIZENS BANK OF LOUISIANA AND NEW
ORLEANS CANAL & BANKING COMPANY

**ATTACHMENT 3
TO
ATTACHMENT C
TO
CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT AND AFFIDAVIT
FILED BY
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(as an Applicant)**

ENSLAVED INDIVIDUALS MORTGAGED TO CITIZENS BANK
OF LOUISIANA, NEW ORLEANS CANAL & BANKING
COMPANY AND LEXINGTON BRANCH OF THE SECOND
BANK OF KENTUCKY

Due to their voluminous size, Attachments 2 and 3 are not attached hereto.

Please see the Economic Disclosure Statement of JPMorgan Chase & Co. for Attachments 2 and 3 in their entirety.

Attachment 2

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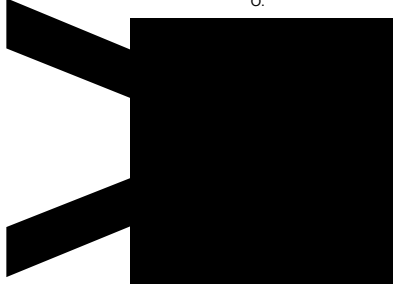
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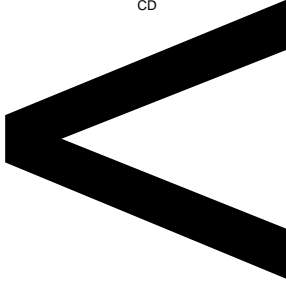
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Owner	Mortgaged Collateral	Dates	Source
Cocke, P. B.	unnamed individuals	1835	Tulane University, Citizens Bank Minute Book No. 1: 1835/01/05
Ducros, Antonio and Casimir Lacoste	the following individuals: Remond; Louis; Mary	1834	Tulane University, Kuntz Collection, No. 600, 1834/6/21
Forestall Brothers; Poincy	several plantations and 68 individuals, including: James; William; Bill; Aaron Cusinaru; Jaques; James Bourguet; Adams Boiny; Cellr; Jams; Sailor; Charisse; Betsy; Ann; David Copeland	1834	Tulane University, Citizens Bank Minute Book No. 1, 1834/04/20; Citizens Bank Minute Book No. 2: 1838/03/03, 1838/10/11; Citizens Bank Minute Book No. 5: 1846/02/05
Garidel, Louis Armand	bakery with Charlotte and other unnamed individuals	1857	Tulane University, Citizens Bank Minute Book No. 8: 1857/03/23
Hoa, Albert and Pierre	plantation and the following individuals: Baptiste; Big George; John Rousseau; Jerry; Bernard; Gabriel; John Ameneaux; Reuben; Tom; Grand William; Gros Joseph; Jerry; Squire; Abraham; Petit William; Mitchel; Richmond; Bob; Charles Fegg; Dembo; Petit John; Francisque; Penon; Coco; Jean Louis; Joseph; Doyle; Hosborn; Philippe; Tom Hibon; Daniel; Charles; Joseph; John Challenger; Azor; Isaac; Felicite and her child Jim; Charlotte; Jessette; Sophie and her unnamed child; Augustine; Marie Chamber; Marie Jeanne and her son Theogere; Angelle; Henry; Louisa; Pyrrhus; Abraham Gagelar; David	1838	St. James Parish, Book 17, p. 384, 1838/08/14
Lacoste, Pierre and Antoine	plantation and the following individuals: Basile; Tom; Jean Louis; Antonio; Voltaire; Sam; Hyacynthe; John; Louis Labrique; Leon; Lindor; Antoine; George; Jupiter; Hippolyte; Reuben; Lewis; Dick; Jean Louis; Joseph; Francois; Charlot; Phillis; Fanny; Melite; Sophie; Edmond; Jerry; Noel; Robert; Toby; Henry; Auguste; Marie; Phrosine; Louise; Leocadie; Maria; Pierre; Marie; Joshua; Frank; Bob	1834-1846	Tulane University, Kuntz Collection, No. 600, 1834/1835 and 1836/04/19
Lacoste, Pierre and Antoine; Antoine Bellegarde; Casimir Lacoste	plantation and 60 individuals, including: Bazile; Ellick Forester; Auguste; Ben and his son Ben; Charlot; Congo; Dick; Edmond; Louis Labrique; Millien; Nelson; Octave; Plaisance; Pichon; Nrain; Rubin; Angele and her child Eugene, Braman, and her three children Jeanne, Ursin, and Emile; Claire; Cilia and her children, Henriette and Marie Louise; Frozine; Mary Laroude; Mary Jacob; Mary Pierre and her child Amelie; Poupoine; Sarah; Therize Bienvenu; Therize Lacoste; Nelly Martin and her child Cidalysse	1850	Tulane University, Citizens Bank Minute Book No. 6: 1850/06/11; Tulane University, Kuntz Collection No. 600: 1850/6/20
Levee Steam Cotton Press Company	steam saw mill and unnamed individuals	1843	Tulane University, Citizens Bank Minute Book No. 5: 1843/11/20

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Fontainbleu Plantation and the following individuals: Nestor, Gilbert, Manuel, Ned John, Emery, Tandely, Pierre Bastin, Bazile, Raimond, Morphine, Pierre, Jason; Appoton, Wait, Capitaine, Valery, Jasmin, Ned, Hurms, Frederic, Georges, Ned Alix, George, Ponpon, Pierre, Oreste, Virgile, Lendor, Celestin, Jackson, Lannon; Perry, Tom; Prosper, Davis, Ephraim, Jasmin, James, George, Nelson, Bob; James, Jack, Thomas, Robert, Petite Steven, Cyhrien, Mahomet, Francois; Gedale, Bartholome, George, Jean Baptiste, Davis, Anguste, Bill, Ulysse, Frosine Leveadie, Adelaide, Coree, Delphine, Amelie, Acanchore, Petite Mary, Margaret; Marie, Marthe, Charlotte, Celine, Gran Jane, Alix, Catiche, Pinba, Petite rachel; Felice, Anna, Nelly, Patience, Patty, Cesaire, Annah, Mehely, Constance; Amelie, Hannah, Melite, Mary, Marianne, Jane, Rachel, Louisa, Petite Melite; Adeline, Asarine, George, Juliene, Lewis, Vicotr, St. Louis, Jean, Amson, Allen; Louis, Manuel, Clemence, Jacques, Rosaline, Mariannette, Celestine, Becky; Violette, Anna, Agnes, Madeline, Genevieve, Elizabeth, Climene, Rachel, Patsy; Mariannette, Bonne, Marguerite, Francoise, Dorant, Clinace and her child; Patrick, Nelzet and her children Marie Noel, Aguo, and Jaques; Petite Melite; Violette; Allen, Louis, George, Mary Bill, Bill, Israel, Lisa, Aguo, Julian, St. Louis, Petite Steven, Clement, Valerie Golette, Nelson, Ned Golette, Petite Prosper, Dreste; Gros Valinz, Lucille and child; Amee Kentucky, Agathe, Matilde, Belisaine; Petite Zenon, Sam, Selina and her two unnamed children; Julienne and her two unnamed children; Poicu, Petite Mary, Abraham

land and the following individuals: Marie Corington, Marie Bill, Bigny, John Magnane, Celestin Mannane, Grande Jeanne, Anna, Jean, Adams, January; Thomas, Proster, Amelie, Reine and her son Cecil; Mary, Acquoi, El-Valentine; Grande Amelie; Lison, Antoinette; Patty, Bill, Bill (alias Belle Carting); Frederick; Pauline; Henderson, Mase, Joe; Pitu; Bon Ami; Ameline; Pinta; Alix; Fanny and her four children Antoine, Eugene, Claire, and an unnamed infant; Blaise; Gilles; Ben; Charles; Augustus; Allen; Remy; Henderson; Grand Olivier; Olivier; Grand Henry; Ephraim; James; Isaac; Garry; Thom; Anthony; Little Henry; William; Peter; Randal; Ali; Manuel; Sandy; Gorman; Brutus; Lubin; Talba; Augustin; Canphre; Thomas; Michel; Benjamin; Plate; Soliman; Oudon; Phaeton; Francois; John; Grande Diana; Petite Diana; Martha; Elvy; Agnes; Anny; Luncinda; Polly; Grande Marie; Jenny; Fanny; Susanne; Little Fanny; Charlotte; Little Mary; Rachel; Jeanne; Phoebee; Lucie; Julienne; Sisa; Aime; William; Sam; Miner; Frank; Elisa; Charles; Fenton; Maria; Denis; and unnamed individual



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**CITY OF CHICAGO ECONOMIC DISCLOSURE
STATEMENT ' AND AFFIDAVIT**

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable: Ice

Miller LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is: 1.

the Applicant OR

— 2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____

OR

.3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

-. B. Business address of the Disclosing Party:

200 W. Madison, Suite 3500 _____

Chicago, Illinois 60606 _____

C. Telephone: 312-726-7142

Fax: 312-726-2693

Email: Steven.Washington@icemiller.com

D. Name of contact person: Steven L. Washington _____

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Bond Counsel to City of Chicago - Multifamily Housing Revenue Bonds (Shops and Lofts at 47 Project), Series 2012

G. Which City agency or department is requesting this EDS? Department of LaM _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # N/A _____ and Contract #^{N/A} _____

Ver. 01-01-12

Page 1 of 13

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS A.

NATURE OF THE DISCLOSING PARTY

1. Indicate the nature of the Disclosing Party:

- Person Limited liability company
 Publicly registered business corporation Limited liability partnership Joint
Dc] venture
 Privately held business corporation Not-for-profit corporation
 Sole proprietorship the not-for-profit corporation also a 501(c)(3))?
 General partnership (Is Yes No Other (please
 Limited partnership specify)
 Trust

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Indiana

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name Title

Phillip L. Bayr _____ Chief Managing Partner _____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

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?

Yes No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

N/A _____ ■ _____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None _____

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

¹ N/A _____

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes

No

3. If you checked "Yes" to Item D.L, provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
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4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

^x 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

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3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No If "Yes," answer the three

questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation: To the best of our knowledge, we have not participated in any Federal contracts or subcontract that requires the creation of an affirmative action plan.

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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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Ice Miller LLP

(Print or type name of Disclosing Party)

By:

~(Sign here) (/

Steven L. Washington (Print or type name of person signing)

Partner _____

(Print or type title of person signing)

Signed and sworn to before me on (date)
at Cook County, Illinois (state).

Notary Public.

"OFFICIAL SEAL" MINNIE M. STINSON
Notary Public, State of Illinois
My Commission Expires Aug. 18, 2013

Commission expires:

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 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 executive officers of the Disclosing Party listed in Section 11.B.1 .a., 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.

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

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

GOLDEN HOLLEY JAMES LLP

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

- 1. the Applicant
OR
- 2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
OR
- 3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: _____ One South Dearborn Street, Suite 2100 _____
_____ Chicago, IL 60603 _____

C. Telephone: __ (312)960-0770 Fax: (312)960-0775 Email: cholley@goldenholleyjames.com

D. Name of contact person: _____ Charles Holley _____

E. Federal Employer Identification No. (if you have one): _____ L. - .. _..... _____

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

_____ City of Chicago Multifamily Housing Revenue Bonds - Shops and Lofts at 47

G. Which City agency or department is requesting this EDS? _____ Dept. of Law _____

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

SECTION II - DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY 1.	General partnership	(Is
	Limited partnership	
	Trust	[]

Indicate the nature of the Disclosing Party:

- Person
- Publicly registered business corporation
- Privately held business corporation
- Sole proprietorship
- Limited liability company
- Limited liability partnership

Joint venture Yes No
 Not-for-profit corporation Other (please specify)
 the not-for-profit corporation also a 501(c)(3))?

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Georgia

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

Yes No N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titlcholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

<u>Name</u>	<u>Title</u>
_____ Sherman Golden _____	_____ Partner _____
_____ Charles Holley _____	_____ Partner _____
_____ Robert James _____	_____ Partner _____

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
Sherman Golden	191 Peachtree Street NE. Ste 3300. Atlanta GA _____	20% _____
Charles Holley _____	One South Dearborn St., Ste 2100, Chicago IL _____	40% _____
Robert James	60 E. 42nd Street, Suite 4700, New York, NY _____	^{40%} _____

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?

Yes

No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities. 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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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 1 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.

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2. The Disclosing Party and, if the Disclosing Party is a legal entity, all of those persons or entities identified in Section 11.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.

3. The certifications in subparts 3, 4 and 5 concern:

- the Disclosing Party;
- any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
- any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
- any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

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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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none").

_____ None _____

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

None

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

Page 7 of 13

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.1., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. 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.

X 1. 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.

___ 2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of "negotiations.

Is the Disclosing Party the Applicant?

Yes No ,

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (Sec 41 CFR Part 60-2.) .

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

W Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes No

If you checked "No" to question 1. or 2. above, please provide an explanation:

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F.1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

(Print or type name of Disclosing Party)

(Sign here)

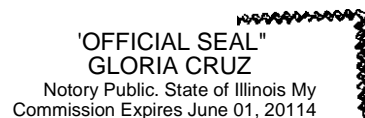
Charles Holten
(Print or type name of person signing)

(Print or type title of person signing)

Signed and sworn to before me on (date)
^/jnlcl^Q County, (^QO/C (state). / (state). /cJ7

Notary Public.

Commission expires:



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 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 executive officers of the Disclosing Party listed in Section II.B.1 .a., 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.

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

SECTION I - GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

Check ONE of the following three boxes.

Indicate whether the Disclosing Party submitting this EDS is:

- 1. the Applicant
OR
- 2. a legal entity holding a direct or indirect interest in the Applicant. State the legal name of the Applicant in which the Disclosing Party holds an interest: _____
OR
- 3. a legal entity with a right of control (see Section II.B.1.) State the legal name of the entity in which the Disclosing Party holds a right of control: _____

B. Business address of the Disclosing Party: 321 North Clark street, Suite 2800 "
Chicago, IL 60654-5313

C. Telephone: 312-832-4533 fax: 312-832-4700 Email: ibilas@foley.com

D. Name of contact person: Laura L. Bilas

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

F. Brief description of contract, transaction or other undertaking (referred to below as the "Matter") to which this EDS pertains. (Include project number and location of property, if applicable):

Bond counsel to the City in connection with tax exempt Tax Increment Allocation Revenue Notes (Shops and Lofts at 47 Project).

Department of Housing and

G. Which City agency or department is requesting this EDS? Economic Development

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # _____ and Contract # _____

Ver.

SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS

A. NATURE OF THE DISCLOSING PARTY

- 1. Indicate the nature of the Disclosing Person:
 - Proprietorship
 - General partnership
 - Limited partnership
 - Trust
 - Publicly registered business corporation
 - Party:
 - Privately held business corporation
 - Sole
 - [] Limited liability company
 - [X] Limited liability partnership

- Joint venture
- Not-for-profit corporation

(Is the not-for-profit corporation also a 501(c)(3))?
 Yes No
 Other (please specify)

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

Wisconsin

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

- Yes
- No
- N/A

B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:

1. List below the full names and titles of all executive officers and all directors of the entity. NOTE: For not-for-profit corporations, also list below all members, if any, which are legal entities. If there are no such members, write "no members." For trusts, estates or other similar entities, list below the legal titleholder(s).

If the entity is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture, list below the name and title of each general partner, managing member, manager or any other person or entity that controls the day-to-day management of the Disclosing Party. NOTE: Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
Jay O. Rothman	Chief Executive Officer
Stanley S. Jaspan	Managing Partner
Darrell R. Ohlhauser	Chief Operating Officer

2. Please provide the following information concerning each person or entity having a direct or indirect beneficial interest (including ownership) 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. If none, state "None." NOTE: Pursuant to Section 2-154-030 of the Municipal Code of Chicago ("Municipal Code"), the City may require any such additional information from any applicant which is reasonably intended to achieve full disclosure.

Name	Business Address	Percentage Interest in the Disclosing Party
None		

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?

Yes R No

If yes, please identify below the name(s) of such City elected official(s) and describe such relationship(s):

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.

Name (indicate whether retained or anticipated to be retained)	Business Address	Relationship to Disclosing Party (subcontractor, attorney, lobbyist, etc.)	Fees (indicate whether paid or estimated.) NOTE: "hourly rate" or "t.b.d." is not an acceptable response.
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(Add sheets if necessary)

[X] Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

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 on any child support obligations by any Illinois court of competent jurisdiction?

Yes No No person directly or indirectly owns 10% or more of the Disclosing Party.

If "Yes," has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

Yes 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.

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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.
3. The certifications in subparts 3, 4 and 5 concern:
- the Disclosing Party;
 - any "Contractor" (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, "Disclosure of Subcontractors and Other Retained Parties");
 - any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity. Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity); with respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;
 - any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Page 5 of 13

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).

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 (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) 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.

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.

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

7. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

8. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the execution date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with "N/A" or "none"). >

None

9. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$20 per recipient (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient. Chase J. Brill, an employee of Disclosure Party, provided birthday and holiday gifts totaling approximately \$200 to James Edward Grill, his father, who is a Chicago Police Department employee

C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

is is not

a "financial institution" as defined in Section 2-32-455(b) of the Municipal Code.

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in Chapter 2-32 of the Municipal Code. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in Chapter 2-32 of the Municipal Code. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in Section 2-32-455(b) of the Municipal Code) is a predatory lender within the meaning of Chapter 2-32 of the Municipal Code, explain here (attach additional pages if necessary):

If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

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?

Yes No

NOTE: If you checked "Yes" to Item D.1., proceed to Items D.2. and D.3. If you checked "No" to Item D.1., proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a* financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

Yes No

3. If you checked "Yes" to Item D.I., provide the names and business addresses of the City officials or employees having such interest and identify the nature of such interest:

Name	Business Address	Nature of Interest
------	------------------	--------------------

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either 1. or 2. below. If the Disclosing Party checks 2., the Disclosing Party must disclose below or in an attachment to this EDS all information required by paragraph 2. Failure to

Page 8 of 13

comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

1. 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.

2. The Disclosing Party verifies that, as a result of conducting the search in step 1 above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

SECTION VI - CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

NOTE: If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995 who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary): None

(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995 have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in Paragraph A.1. above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

Page 9 of 13

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A.1. and A.2. above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities".

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A.1. through A.4. above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

Yes No

If "Yes," answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

Yes No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?

Yes No

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?

Yes

No

If you checked "No" to question 1. or 2. above, please provide an explanation:

Page 10 of 13

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. The full text of these ordinances and a training program is available on line at www.cityofchicago.org/Ethics, 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.

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.

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.

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.

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.

NOTE: If the Disclosing Party cannot certify as to any of the items in F. 1., F.2. or F.3. above, an explanatory statement must be attached to this EDS.

CERTIFICATION

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

Foley & Lardner LLP (Print or type name of Disclosing Party)

By: *Laura L. Bilas*
(Sign here)

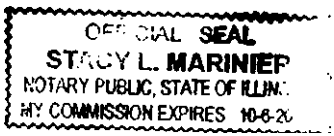
Laura L. Bilas
(Print or type name of person signing)

Partner
(Print or type title of person signing)

Signed and sworn to before me on (date) August 30, -20/2
at Cook County, Illinois - (state).

Stacy L. Marinier
Commission expires: \Q 'lo -<Do l*-f

Notary Public.



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 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 executive officers of the Disclosing Party listed in Section II.B.1.a., 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.