



Office of the Chicago City
Clerk



SO2012-3834

Office of the City Clerk

City Council Document Tracking Sheet

Meeting Date:	6/6/2012
Sponsor(s):	Emanuel, Rahm (Mayor)
Type:	Ordinance
Title:	Amendment to previous redevelopment agreement with Urban Juncture LLC
Committee(s) Assignment:	Committee on Finance



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OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

June 6, 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 an amendment to a previously executed redevelopment agreement with Urban Juncture LLC.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,


Mayor

SUBSTITUTE ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on March 27, 2002 and published at pages 81231 to 81457 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan and project (the "Plan") for the 47th/King Drive Redevelopment 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 March 27, 2002 and published at pages 81458 to 81465 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 March 27, 2002 and published at pages 81466 to 81472 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, 300 East 51st LLC, an Illinois limited liability company (the "Developer"), has acquired real property with approximately seventeen thousand (17,000) square feet of building space ("Facility") which is commonly known as 300-14 East 51 Street (the "Building Property") and 320 East 51st LLC, an Illinois limited liability company and affiliate of the Developer, ("320 East") owns real property commonly known as 320 East 51st Street (the "Parking Lot Property") which is located across an alley from the Building Property and is intended to be used as a parking lot for the Facility; and

WHEREAS, 320 East also owns real property located at 343-47 East 51st Street (the "Community Garden Property") which is currently used as a community garden; and

WHEREAS, 320 East intends to purchase an adjacent parcel of real property located at 5044-5048 South Calumet Avenue (the "City Property"), and, together with the Building Property, the Parking Lot Property and the Community Garden Property, (the "Site"), from the City which has an appraised value of approximately Seventy-Six Thousand and No/100 Dollars (\$76,000) for the land write down sum of Ten Thousand dollars and No/100 Dollars (\$10,000); and

WHEREAS, Developer and Urban Juncture Inc., an Illinois corporation ("Urban Juncture") and an affiliate of Developer, now desire to create four food related businesses located on the first floor of the Facility along with some common space and other unfinished space on the second floor. Rehabilitation of the Facility will now include tenant build out for each individual restaurant/store, common area improvements, completion of two surface area parking areas on the Parking Lot Property and the City Property, respectively, a community garden on the Community Garden Property with several environmentally sustainable design features (the "Project"); and

WHEREAS, the Developer has undertaken the redevelopment of the Site in accordance with the Plan and pursuant to the terms and conditions of a proposed amended redevelopment agreement to be executed by the Developer, Urban Juncture, 320 East and the City, including but not limited to rehabilitation of the facilities, to be financed in part by incremental taxes from the

Area, if any, deposited in the 47th/King Drive Project Area Special Tax Allocation Fund (as defined in the TIF Ordinance) pursuant to Section 5/11-74.4-8(b) of the Act to the extent, and in the amount, provided in the Amended Redevelopment Agreement (hereinafter defined); and

WHEREAS, pursuant to Resolution 09-CDC-58 adopted by the Community Development Commission of the City of Chicago (the "Commission") on November 10, 2009, the Commission recommended that the Developer or one its affiliates be designated as the developer for the Project and that the City's Department of Housing and Economic Development ("HED") be authorized to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Developer, Urban Juncture and 320 East 51st LLC for the Project; and

WHEREAS, pursuant to an ordinance (the "Authorization Ordinance") adopted by the City Council on May 12, 2010 and published at pages 89963 to 90056 of the Journal of such date, 300 East 51st Street LLC was designated as Developer and authorized the City to enter into the 300 East 51st Redevelopment Agreement (the, "Original Redevelopment Agreement") with Developer to build the Project; and

WHEREAS, the Original Redevelopment Agreement was never executed due to changes in Developer's funding sources and the City and Developer now desire to amend the original Redevelopment Agreement in order to (i) change the commencement and completion dates of the Project, (ii) change financing structure of the Project to include three City Notes with amended interest rates and an initial TIF-Funded grant in an amount not to exceed One Million Dollars at closing on the Amended Redevelopment Agreement, (iii) change the scope of the Project, (iv) expand the Project to include the Community Garden Property among other things, now therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The above recitals are incorporated herein and made a part hereof.

SECTION 2. The Original Redevelopment Agreement shall be amended and replaced in its entirety by the Amended Redevelopment Agreement, as in substantially the form attached hereto as **Exhibit A** (the "Amended Redevelopment Agreement").

SECTION 3. The Commissioner of HED (the "Commissioner") or a designee of the Commissioner is each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Amended Redevelopment Agreement between the Developer and the City, and such other supporting documents as may be necessary to carry out and comply with the provisions of the Amended Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Amended Redevelopment Agreement. All capitalized terms, unless defined herein, shall have the same meanings as are set forth in the Amended Redevelopment Agreement.

SECTION 4. The City Council of the City hereby finds that the City is authorized to: (1) issue its tax increment allocation revenue obligations, in three notes, in an aggregate principal amount not to exceed \$2,000,000 and (2) provide a \$1,000,000 grant at closing on the Amended Redevelopment Agreement, for the purposes of paying a portion of the eligible redevelopment project costs included within the Project. The total amount of tax increment financing assistance

that shall be provided to the Developer and/or its affiliate shall not exceed \$3,000,000.

SECTION 5. There shall be borrowed for and on behalf of the City a principal amount not to exceed \$2,000,000 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 Amended Redevelopment Agreement as "TIF-Funded Improvements"). The notes of the City in an aggregate principal amount of \$2,000,000 shall be issued and shall be designated as follows: "Tax Increment Allocation Revenue Note One (47th Street/ King- Cuisine of the Diaspora Project), Taxable Series 2012 R1" in the maximum aggregate principal amount of \$1,000,000 ("City Note One"), "Tax Increment Allocation Revenue Note Two (47th Street/ King- Cuisine of the Diaspora Project), Taxable Series 2012 R2" in the maximum aggregate principal amount of \$500,000 ("City Note Two"), and "Tax Increment Allocation Revenue Note Three (47th Street/ King- Cuisine of the Diaspora Project), Taxable Series 2012 R3" in the maximum aggregate principal amount of \$500,000 ("City Note Three") collectively, the ("City Notes"). The City Notes shall be substantially in the forms attached to the Amended Redevelopment Agreement as Exhibit M-1, Exhibit M-2 and Exhibit M-3, and made a part hereof, with such additions or modifications as shall be determined to be necessary by the Authorized Officer (the person duly appointed and serving as the Chief Financial Officer of the City, or if not such person has been appointed, then the City Comptroller, being each referred to herein as an ("Authorized Officer") of the City, at the time of issuance to reflect the purpose of the issue. The City Notes shall be dated the date of delivery thereof, and shall also bear the date of the 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 are hereby appropriated for the purposes set forth in this Section 5.

City Note One shall mature on the earlier of (i) payment in full; (ii) the date of issuance of the Initial Certificate, and shall bear interest at a fixed interest rate as described in the Amended Redevelopment Agreement until the principal amount of City Note One is paid or until maturity, with the exact rate to be determined by the Authorized Officer, computed on the basis of a 360-day year of twelve 30-day months.

City Note Two shall mature on the earlier of (i) payment in full; (ii) date of issuance of the Final Certificate, and shall bear interest at a fixed interest rate as described in the Amended Redevelopment Agreement until the principal amount of City Note Two is paid or until maturity, with the exact rate to be determined by the Authorized Officer, computed on the basis of a 360-day year of twelve 30-day months.

City Note Three shall mature on the earlier of (i) payment in full; (ii) 5years from the date of issuance of the Final Certificate, and shall bear interest at a fixed interest rate as described in the Amended Redevelopment Agreement until the principal amount of City Note Three is paid or until maturity, with the exact rate to be determined by the Authorized Officer, computed on the basis of a 360-day year of twelve 30-day months.

The principal of and interest on the City Notes, shall be paid by wire transfer of funds by the Authorized Officer 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 the City Notes are registered or any such person's designee at the close of business on the payment date, in any event no later than at the close 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 the City Notes 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 a facsimile thereof printed on the City Notes, and the City Notes shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the City Notes shall cease to be such officer before the delivery of the City Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The City Notes shall have thereon a certificate of authentication substantially in the form hereinafter set forth duly executed by the Registrar, as authenticating agent of the City for the City Notes, 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 the City Notes shall be conclusive evidence that the City Notes have been authenticated and delivered under this Ordinance.

SECTION 6. The City shall cause books (the "Register") for the registration and for the transfer of the City Notes (to the extent such transfers are permitted under the Amended 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 the City Notes authorized under the Amended Redevelopment Agreement at the principal office of the registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in the form satisfactory to the Registrar, (ii) an investment representation in the 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 Amended 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 One, City Note Two and City Note Three of the same maturity, of authorized denomination, for the authorized principal amount of the City Note One, City Note Two and City Note Three less previous retirements. The execution by the City of fully registered City Notes shall constitute full and due authorization of the City Notes and the registrar shall thereby be authorized to authenticate, date and deliver the City Notes. The Registrar shall not be required to transfer or exchange the City Notes during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of the City Notes nor to transfer or exchange the City Notes after notice calling a City Note for prepayment has been made, nor during a period of five (5) business days next preceding mailing of a notice or prepayment of principal of a City Note. No beneficial interests in the City Notes, shall be assigned, except in accordance with the procedures for transfer in the City Notes described above.

The person in whose name each City Note shall be registered shall be deemed and

regarded as the absolute owner thereof for all purposes, and payment of the principal of a 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 the City Notes to the extent of the sum or sums paid.

No service charge shall be made for any transfer of the City Notes, but the City or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer of the City Notes.

SECTION 7. Subject to the limitations set forth herein, the Authorized Officer is authorized to determine the term 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 the City Notes shall be subject to prepayment as provided in the form of City Note One, City Note Two and City Note Three, attached to the Amended Redevelopment Agreement as Exhibit M-1, Exhibit M-2, and Exhibit M-3. As directed by the Authorized Officer, the Registrar shall proceed with prepayment without further notice or direction from the City.

SECTION 8. The City Notes hereby authorized shall be executed as in this Ordinance and the Amended Redevelopment Agreement provided as soon after the passage hereof as may be practicable and consistent with the terms of the Amended Redevelopment Agreement, and thereupon, said City Notes shall be deposited with the Commissioner, and delivered by the Commissioner to Urban Juncture and/ or its affiliate.

SECTION 9. Pursuant to the TIF Ordinance, the City has created or will create the Fund. The Authorized Officer is hereby directed to maintain the Fund as a segregated interest-bearing account, separate and apart from the General Fund or any other fund of the City, with a bank that is insured by the Federal Deposit Insurance Corporation or its successor. Pursuant to the TIF Ordinance, all incremental Taxes received by the City for the Area are to be deposited into the Fund.

There is hereby created within the General Account of the Fund a special sub-account to be known as the "Urban Juncture Sub-Account" (the "Project Account"). The City shall designate and deposit into the Project Account the Available Incremental Taxes deposited into the Fund. The City hereby assigns, pledges and dedicates the Project Account, together with all amounts on the deposit therein, to the payment of the principal of and interest, if any, on the City Notes when due under the terms of the Amended 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 principal of and interest on the City Notes at maturity or upon payment or redemption prior to maturity, in accordance with the terms of such notes, which payments from the Project Account are hereby authorized and appropriated by the City. Upon payment of all amounts under the City Notes and the Amended Redevelopment Agreement in accordance with their terms, 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.

Notwithstanding any of the foregoing, payments on the City Notes will be subject to the availability of Available Incremental Taxes and Incremental Taxes in the Project Account.

Section 10. THE CITY NOTES ARE A SPECIAL LIMITED OBLIGATION OF THE CITY. THE CITY NOTES ARE PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE PROJECT ACCOUNT AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER THEREOF ONLY AGAINST SAID SOURCE. THE CITY NOTES 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 THE CITY NOTES SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF TO PAY PRINCIPAL OF OR INTEREST ON THE CITY NOTES.

SECTION 11. Moneys on deposit in the Fund or the Project Account, as the case may be, may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago (the "Municipal Code"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interests on the City Notes.

SECTION 12. Pursuant to the Amended Redevelopment Agreement, the Developer shall complete the Project. The eligible redevelopment project costs of the Project constituting TIF-Funded Improvements up to the principal amounts of \$2,000,000, when evidenced by Certificates of Expenditure shall be deemed to be a disbursement of the proceeds of the City Notes. Upon issuance, the City Notes shall have in the aggregate an initial principal balance equal to the prior expenditures for TIF-Funded Improvements by Developer or its affiliates up to a maximum amount of \$2,000,000, as evidenced by Certificate of Expenditures delivered in accordance with the Amendment Redevelopment Agreement, and subject to the reductions described in the Amended Redevelopment Agreement. After issuance, the principal amount outstanding under the City Notes shall be the initial principal balance of the City Notes plus increases evidenced by subsequent Certificates of Expenditure, minus any principal amount and interest paid on the City Notes and other reductions in principal as provided in the Amended Redevelopment Agreement.

SECTION 13. The Mayor, the Authorized Officer, the City Clerk, the Commissioner (or his or her designee) and the other officers of the City are authorized to execute and deliver on behalf of the City and such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employee shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance.

SECTION 14. 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 names and addresses of the new registered owners and eliminate the name and address of the transferor.

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

SECTION 16 The City is hereby re-authorized to sell and convey to 320 East the City Property for the land write down sum of Ten Thousand and No/100 Dollars (\$10,000) in accordance with and subject to the terms of the Amended Redevelopment Agreement. The Mayor or his proxy is authorized to execute, and the City Clerk or Deputy Clerk to attest, a quitclaim deed conveying to 320 East the City Property for the consideration described herein and otherwise in accordance with and subject to the terms of the Amended Redevelopment Agreement.

SECTION 17. The City Council hereby authorizes the City to make any and all other changes, revisions and amendments to the Amended Redevelopment Agreement required, in the opinion of the Corporation Counsel, to implement the revisions specifically authorized herein.

SECTION 18. If any provision of this ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this ordinance.

SECTION 19. All ordinances, resolutions, motions or orders in conflict with this ordinance are hereby repealed to the extent of such conflict. In 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 shall be deemed to render voidable at the option of the City any document, instrument or agreement authorized hereunder to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the rights of the owners of the City Notes to receive payments of principal of or interest on the City Notes or impair the security for the City Notes; provided further that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

SECTION 20. This ordinance shall be in full force and effect immediately upon its passage.

Exhibit A:

Amended Redevelopment Agreement

300 EAST 51ST LLC REDEVELOPMENT AGREEMENT

BY AND AMONG

THE CITY OF CHICAGO

**300 EAST 51st LLC, URBAN JUNCTURE, INC. ,
AND 320 EAST 51st LLC**

This agreement was prepared by
and after recording return to:
Charles E. Rodgers, Jr., Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

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Exhibit B-2	*Building Property
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Exhibit B-4	*Community Garden Property
Exhibit B-5	*City Property
Exhibit C	*TIF Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Escrow Agreement
Exhibit G	*Permitted Liens
Exhibit H1	*Project Budget
Exhibit H2	*MBE/WBE Budget
Exhibit I	Approved Prior Expenditures
Exhibit J	Opinion of Developer's Counsel
Exhibit K	*Preliminary TIF Projection Real Estate Taxes
Exhibit L	Requisition Form
Exhibit M-1	*Form of City Note One
Exhibit M-2	*Form of City Note Two
Exhibit M-3	*Form of City Note Three
Exhibit N	*Job Readiness Program
Exhibit O	Form of Subordination Agreement
Exhibit P	Form of Payment Bond
Exhibit Q	Project Phasing Plan

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

This agreement was prepared by and
after recording return to:
Charles E. Rodgers, Jr. Esq.
City of Chicago Law Department
121 North LaSalle Street, Room 600
Chicago, IL 60602

300 EAST 51ST LLC REDEVELOPMENT AGREEMENT

This 300 East 51st LLC Redevelopment Agreement (this "Agreement") is made as of this _____ day of _____, 2012 (the "Closing Date"), by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), 300 East 51st LLC, an Illinois limited liability company ("Developer"), Urban Juncture Inc., an Illinois corporation and an affiliate of Developer ("Urban Juncture") and 320 East 51st LLC, an Illinois limited liability company and affiliate of Developer ("320 East").

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 5/1174.41 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on March 27, 2002: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 47th and King Drive Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the 47th and King Drive Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 47th and King Drive Redevelopment Project Area" (the "TIF Adoption Ordinance") (items (1)(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

D. The Project: The Project (as defined below) consists of (i) real property improved with an approximately seventeen thousand square feet of building space (the structures to be hereinafter referred to as the ("Facility") which real property ("Building Property") is commonly known as 300-314 East 51st Street, as legally described on Exhibit B2 hereto and is owned by 300 East; (ii) real property across an alley from the Building Property to be used as a parking lot for the Facility which real property (the "Parking Lot Property") is commonly known as 320 East 51st Street, as legally described on Exhibit B3 hereto, and is owned by 320 East; and (iii) real property (the "Community Garden Property") currently used as a community garden, commonly known as 343-347 East 51st Street, and legally described on Exhibit B4 hereto, and is owned by 320 East. Developer also intends to purchase an adjacent parcel of real property commonly known as 5044-5048 South Calumet Avenue (the "City Property") from the City which has an appraised fair market value of approximately seventy-six thousand and no/100 dollars (\$76,000) and is legally described on Exhibit B5 hereto. The Building Property, the Parking Lot Property, the Community Garden Property and the City Property are referred to hereinafter collectively as the "Property". All of the Property, except for the Community Garden Property, is located within the boundaries of the Redevelopment Area. The Community Garden Property is located in the 47th and State Street Redevelopment Project Area. The prior and future purchase of the Property shall be referred to as the "Acquisition". Developer, within the time frames set forth in Section 3.01 hereof, shall commence and complete rehabilitation of the Facility to create four food-

related businesses located on the first floor of the Facility along with some common space and other refinished space on the second floor of the Facility which consists of approximately thirty one hundred square feet (the "Second Floor Space"). The Approved Food Related Businesses currently planned for the Facility are (i) Bronzeville Fresh Produce ("Fresh Produce"), a purveyor of fresh fruits and vegetables; (ii) Majani 310, a restaurant specializing in vegetarian food ("Vegetarian"); (iii) a southern breakfast and lunch restaurant ("Southern Breakfast"); and (iv) Bronzeville Jerk Shack, a carryout restaurant and catering business specializing in traditional Caribbean jerk food ("Jerk Shack"). Rehabilitation of the Facility shall include tenant build-out for each individual restaurant/store, common area improvements, completion of two surface parking areas on the Parking Lot Property and the City Property, respectively, and a variety of environmentally sustainable design features which shall include, without limitation, recycling program, green roofing, use of recycled/ reused material in rehabilitation process, high efficiency HVAC, high efficiency lighting, and solar thermal installation. The Project, when completed (as evidenced by the issuance by the City's Department of Buildings of a temporary or final certificate(s) of occupancy) shall be comprised of the following:

- tenant build out and full operation of the Approved Food Related Businesses to be located in the areas of the Facility depicted on the attached Exhibit Q;
- the areas of the Facility depicted on the attached Exhibit Q as the locations of the common areas;
- the landscaped community garden on the Community Garden Property; and
- the accessory surface parking to be constructed on the Parking Lot Property and the City Property;
- The installation on the Facility of a production roof; and
- The build-out of the office space located in the Second Floor Space of the Facility.

The Facility and related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) are collectively referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago 47th and King Drive Redevelopment Project Area Tax Increment Financing Program Redevelopment Plan (the "Redevelopment Plan") attached hereto as Exhibit D.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) the proceeds of the Initial TIF Payment and the City Notes (as such terms are defined

below), which shall be funded by Available Incremental Taxes (as defined below) to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and each of the City Notes.

In addition, the City may, in its discretion, issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 4.03(c) 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, whether disbursed as a lump sum to Developer or as payments made pursuant to either of the City Notes, to make payments of principal and interest on the City Notes, 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:

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

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

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

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

"Affiliate(s)" shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer including Urban Juncture and 320 East.

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the Agreement during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations,

(c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is not in default with respect to any provision of the Agreement, the agreements evidencing the Lender Financing, if any, or any related agreements [e.g. lease with a major tenant such as the Southern Breakfast (as defined below)]; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Operating Covenant (Section 8.06); (2) compliance with the Jobs Covenant (Section 8.06); (3) delivery of Financial Statements and unaudited financial statements (Section 8.13); (4) delivery of updated insurance certificates, if applicable (Section 8.14); (5) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); (6) delivery of evidence that LEED or other Environmental Certification has been obtained (Section 8.25) and (7) compliance with all other executory provisions of the Agreement.

"Approved Food Related Businesses" means Bronzeville Fresh Produce, the other restaurant venues described in Recital D and any substitute restaurant venue or grocery store or purveyor of fresh produce approved by the City, provided that carry-out restaurant serving primarily take-out foods shall occupy no more than 1,000 square feet of leasable retail space in the Project.

"Approved Transfer" shall have the meaning set forth for such term in Section 4.03(g) hereof.

"Approved Transferee" shall have the meaning set forth for such term in Section 4.03(g) hereof.

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes deposited in the 47th and King Drive Redevelopment Project Area TIF Fund, as adjusted to reflect the amount of the City Fee described in Section 4.05(c) hereof.

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

"Bond(s)" shall have the meaning set forth for such term in Section 8.05 hereof.

"Bond Ordinance" shall mean the City ordinance authorizing the issuance of Bonds.

"Business Relationship" shall have the meaning set forth for such term in Section 2-156-080 of the Municipal Code of Chicago.

"Certificate" shall mean the Initial Certificate or the Final Certificate, as applicable, and as described in Section 7.01 and Section 7.02 hereof, respectively.

"Certificate of Expenditure" shall mean any Certification of Expenditure referenced in the City Notes pursuant to which the principal amounts of City Notes will be established, respectively.

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

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

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

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

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

"City Note One" shall mean the 'Tax Increment and Allocation Revenue Note(47th and King Drive Redevelopment Project), Taxable Series R1" to be in the form attached hereto as Exhibit M-1, in the maximum principal amount of \$1,000,000 issued by the City to Urban Juncture, as provided herein. The principal balanced evidenced by City Note One shall bear 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 the issuance of City Note One plus 200 basis points, but in no event exceeding eight percent (8.0%) per annum.

"City Note Two" shall mean the "Tax Increment and Allocation Revenue Note (47th and King Drive Redevelopment Project), Taxable Series R2" to be in the form attached hereto as Exhibit M-2, in a maximum principal amount equal to \$500,000 which shall be issued by the City to Urban Juncture, as provided herein. The principal balanced evidenced by City Note Two shall bear 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 the issuance of City Note Two plus 200 basis points, but in no event exceeding eight percent (8.0%) per annum. City Note Two shall provide for accrued, but unpaid, interest to bear interest at the same annual rate. Interest on this note shall not begin to accrue until the issuance of the initial Certificate.

"City Note Three" shall mean the "Tax Increment and Allocation Revenue Note (47th and King Drive Redevelopment Project), Taxable Series R3" to be in the form attached hereto as Exhibit M-3, in a maximum principal amount equal to the greater of (a) \$500,000 or (b) \$3,000,000, minus the aggregate of the Initial Installment and the aggregate maximum principal amounts of City Note One and City Note Two, which shall be issued by the City to Urban Juncture, as provided herein. The principal balanced evidenced by City Note Three shall bear 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 the issuance of City Note Three plus 200 basis points, but in no event exceeding eight percent (8.0%) per annum. City

Note Three shall provide for accrued, but unpaid, interest to bear interest at the same annual rate. Interest on this note shall not begin to accrue until the issuance of the Final Certificate.

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

"Completion of the Initial Phase of the Project" shall mean the occurrence of the events described in clauses (i) through (v) of Section 7.01 hereof.

"Completion of the Project" shall mean the occurrence of the events described in clauses (i) through (v) of Section 7.02 hereof.

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

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

"Construction Contract" shall mean that certain contract, substantially in the form attached hereto as Exhibit E, to be entered into between the Developer and the General Contractor providing for construction of the Project.

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

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

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

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

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow, to be entered into as of the date hereof by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender(s), substantially in the form of Exhibit F attached hereto. The City shall also be a party to the Escrow Agreement for the sole purpose of receiving notice of any information it may request including, without limitation, copies of any and all draw requests and disbursements.

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

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

"Final Certificate" shall mean the Certificate of Completion of Rehabilitation to be issued by the City upon Completion of the Project as described in Section 7.02 hereof.

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

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

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

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

"IEPA Grant" means the grant of up to \$404,000 to be made by the Illinois Environmental Protection Agency to finance costs to incorporate into the Project certain water conservation and management elements, such as the installation of a so called "production roof" and permeable pavement in the surface parking areas.

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

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

Incremental Taxes deposited by the Treasurer into the 47th and King Drive Redevelopment Project Area TIF Fund made by the City from and after the date hereof shall be subordinated in right of payment to the prior payment of the City Notes.

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

"Initial Certificate" shall mean the Certificate of Completion of Rehabilitation to be issued by the City upon Completion of the Initial Phase of the Project as described in Section 7.01 hereof.

"Initial TIF Reimbursement" shall have the meaning set forth in Section 4.03 hereof.

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

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit H2, as described in Section 10.03.

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

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

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

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

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

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

"Plans and Specifications" shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

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

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

"Project Budget" shall mean the budget attached hereto as Exhibit H1, showing the total cost of the Project by line item, furnished by the Developer to HED, in accordance with Section 3.03 hereof.

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

"Redevelopment Area" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Plan" shall have the meaning set forth in the Recitals hereof.

"Redevelopment Project Costs" shall mean redevelopment project costs as defined in Section 5/1174.43(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

"Released Claims" shall have the meaning set forth in Section 4.09(f).

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

"Second Floor Space" shall have the meaning set forth in Recital D hereof.

"Special Developer Obligations" shall mean the Developer's obligations set forth in Sections 8.06 and 8.20.

"Subordinate Mortgage" shall have the meaning set forth in Section 4.03(e).

"Subordinate Mortgage Release Date" shall mean the tenth (10th) anniversary of the date of issuance by the City of the Certificate.

"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 Facility 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 the later of (a) ten (10) years after issuance of the Final Certificate pursuant to Section 7.02 hereof, or (b) the date on which the Redevelopment Area is no longer in effect through and including December 31, 2026.

"TIF Adoption Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF Bonds" shall have the meaning set forth in the Recitals hereof.

"TIF Bond Ordinance" shall have the meaning set forth in the Recitals hereof.

"TIF Bond Proceeds" shall have the meaning set forth in the Recitals hereof.

"TIF-Funded Improvements" shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

"TIF Ordinances" shall have the meaning set forth in the Recitals hereof.

"Title Company" shall mean Chicago Title and Trust Company.

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

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

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

SECTION 3. THE PROJECT

3.01 The Project. With respect to the Facility, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction no later than March 31, 2013 (the "Construction Commencement Date") (ii) complete construction and conduct business operations thereon relative to all four (4) Approved

Food Related Businesses no later than eighteen (18) months following the Closing Date but in any event not later than September 30, 2014. Notwithstanding anything herein contained to the contrary, the parties acknowledge that the Parking Lot Property and the City Property are intended to provide interim surface parking for the Project and that the Developer and 320 East 51st LLC intend eventually to provide replacement parking for the surface parking provided by the Parking Lot Property and City Property and to develop the Parking Lot Property and City Property with retail and commercial uses. Notwithstanding anything herein contained to the contrary, the parties acknowledge that the community garden currently situated on the Community Garden Property may eventually be relocated, subject to the prior written consent of HED, to another site within the Bronzeville community to permit the future development of the Community Garden Property with additional retail and commercial uses.

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

3.03 Project Budget. The Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in an amount not less than eight million three hundred ninety-seven thousand and one hundred forty-six and No/100 Dollars (\$8,397,146). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project. The Developer hereby certifies to the City that (a) it has Lender Financing and Equity in an amount sufficient to pay for all Project costs; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

3.04 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to HED concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to HED for HED's prior written approval: (a) a reduction in the square footage of the Facility by more than five percent; (b) a change in the use of the Property to a use other than a facility containing four (4) Approved Food Related Businesses; (c) an extension of the completion of the Project by more than six months; and (d) Change Orders costing more than \$25,000 each, to an aggregate amount of \$100,000. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer

of HED's written approval (to the extent required in this section). The Construction Contract, and each contract between the General Contractor and any subcontractor, shall contain a provision to this effect. An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders costing less than Twenty-Five Thousand Dollars (\$25,000.00) each, to an aggregate amount of One Hundred Thousand Dollars (\$100,000.00), do not require HED's prior written approval as set forth in this Section 3.04, but HED shall be notified in writing of all such Change Orders prior to the implementation thereof and the Developer, in connection with such notice, shall identify to HED the source of funding therefor.

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

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

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

3.08 Inspecting Agent or Architect. If an independent agent or architect (other than the Developer's architect) is selected to act as the inspecting agent or architect by Developer's lender, the Developer shall make the reports of such inspecting agent or architect available to HED prior to requests for disbursement for costs related to the Project.

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

regulations. HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

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

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

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

SECTION 4. FINANCING

4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$8,397,146, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

<u>Sources of Funds</u>	<u>Maximum Amount</u>
Equity (subject to Section 4.03(b) and 4.06)	\$2,131,146
Lender Financing	\$5,200,000
Estimated portion of up to 3,066,000 in City Funds to be paid during Project Construction (subject to Section 4.03)	<u>\$1,066,000</u>
ESTIMATED TOTAL	\$8,397,146

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

4.03 City Funds.

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

documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost.

(b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03, Section 4.09 and Section 5 hereof, the City hereby agrees to provide City funds from the sources and in the amounts described directly below (the "City Funds") to pay for or reimburse the Developer for the costs of the TIF Funded Improvements:

<u>Source of City Funds</u>	<u>Maximum Amount</u>
Initial TIF Reimbursement (paid through Available Incremental Taxes)	\$1,000,000
City Note One (paid through Available Incremental Taxes)	\$1,000,000
City Note Two (paid through Available Incremental Taxes)	\$ 500,000
City Note Three (paid through Available Incremental Taxes)	\$ 500,000
Write Down of City Property to be Conveyed to Developer	\$ 66,000

provided, however, that notwithstanding the land write down by the City, the total amount of City Funds expended for TIF-Funded Improvements shall be an amount not to exceed Three Million and No/100 Dollars (\$3,000,000); and provided further, that the up to \$3,000,000 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 47TH and King Drive Redevelopment Project Area TIF Fund shall be sufficient to pay for such costs.

The Developer acknowledges and agrees that the City's obligation to pay for TIF-Funded Improvements is contingent upon the fulfillment of the conditions set forth in this Agreement. In the event that such conditions are not fulfilled, the amount of Equity to be contributed by the Developer pursuant to Section 4.01 hereof shall increase proportionately.

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to pay or reimburse Developer for TIF-Funded Improvements in the following manner:

1. On the Closing Date, the City shall pay and reimburse the Developer from Available Incremental Taxes and/or TIF Bond proceeds, if any, an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the

Developer and /or its Affiliates up to One Million and No/100 Dollars (\$1,000,000) (the "Initial TIF Reimbursement").

2. On the Closing Date, the City shall issue City Note One, City Note Two and City Note Three (collectively the "City Notes") to Developer. The principal amount of City Note One shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer and /or its Affiliates in excess of the Initial TIF Reimbursement and are to be reimbursed by the City through payments of principal and interest on the City Note One up to a total principal amount of One Million and No/100 Dollars (\$1,000,000). The principal balance of City Note One shall be the sum of Certificates of Expenditure issued by the City pursuant to the terms hereof as Developer incurs TIF-Funded Improvements that constitute Redevelopment Project Costs for the Project in excess of the Initial TIF Reimbursement. The principal amount of City Note Two shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer and/ or its Affiliates in excess of the sum of the Initial TIF Reimbursement, plus One Million and No/100 Dollars (\$1,000,000), and are to be reimbursed by the City through payments of principal and interest on the City Note Two up to a total principal amount of Five Hundred Thousand and No/100 Dollars (\$500,000). The principal balance of City Note Two shall be the sum of Certificates of Expenditure issued by the City as TIF-Funded Improvements that constitute Redevelopment Project Costs are incurred with respect to the Project after City Note One has a principal balance of \$1,000,000 and City Note Two has a principal balance of \$500,000. The principal amount of City Note Three shall be in an amount equal to the costs of the TIF-Funded Improvements which have been incurred by the Developer and/ or its Affiliates in excess of the sum of the Initial TIF Reimbursement, plus One Million Five Hundred thousand and No/100 Dollars (\$1,500,000), and are to be reimbursed by the City through payments of principal and interest on the City Note Three up to a total principal amount of Five Hundred Thousand and No/100 Dollars (\$500,000). The principal balance of City Note Three shall be the sum of Certificates of Expenditure issued by the City as TIF-Funded Improvements that constitute Redevelopment Project Costs are incurred with respect to the Project after City Note One has a principal balance of \$1,000,000 and City Note Two has a principal balance of \$500,000. Notwithstanding the land write down by the City, issuance of the City Notes shall be subject to the provisions hereof; provided, however, that the maximum total principal amount of the City Notes, plus the amount of the Initial TIF Reimbursement paid to the Developer on the Closing Date shall be an amount not to exceed the lesser of \$3,000,000 or thirty five and 73/100 percent (35.73%) of the actual total Project costs; and further provided, however, that payments under the City Notes are subject to the amount of Available Incremental Taxes deposited into the 47th and King Drive Redevelopment Project Area TIF Fund being sufficient for such payments.

(c) Reduction in City Note Three. Notwithstanding anything in this Section 4, the Developer shall reimburse the City for any Available Incremental Taxes applied to pay City Note Three as follows: on a \$1for\$1 basis to the extent that the actual costs of the Project are less than the costs set forth in the Project Budget, minus the amounts of the contingency and land write down line items in the Project Budget and any reduction in the costs of the Project that are attributable to a reduction in the amount of IEPA Grant. If upon issuance of the Final Certificate, the principal amount of the City Notes exceeds the costs of TIF-Funded Improvements incurred in the Project, the principal amount of the City Note Three, and any accrued interest, will be reduced accordingly.

(d) TIF Bonds. The City may, acting in its own discretion, issue TIF Bonds pursuant to ordinance or ordinances authorizing the issuance of TIF Bonds in an amount which, in the opinion of the Comptroller, is marketable under the then current market conditions; said ordinance or ordinances shall have been approved by City Council upon the recommendation of Commissioner of HED, or the Comptroller. The Developer will cooperate with the City in the issuance of TIF Bonds, as provided in Section 8.05 hereof.

(e) Subordinate Mortgage as Security for Special Developer Obligations. On the Closing Date, the Developer shall execute and deliver in favor of the City a subordinate mortgage (the "Subordinate Mortgage") encumbering the Project to secure the Special Developer Obligations under the Agreement. The Subordinate Mortgage will be subordinated in all respects to the Existing Mortgages securing any Lender Financing in accordance with a written subordination agreement by and among the City, Developer and the mortgagees under the Existing Mortgages. The City shall release the lien of the Subordinate Mortgage upon the tenth anniversary of the date of issuance of the Final Certificate (the "Subordinate Mortgage Release Date"), provided that the Developer shall have performed the Secured Obligations during the period from the date hereof through the Subordinate Mortgage Release Date.

(f) Payments of Principal and Interest Pursuant to the City Notes. Payments of principal and interest under the City Notes shall be made as follows:

(i) City Note One. The entire principal balance under City Note One shall be payable upon issuance by the City of the Initial Certificate.

(ii) City Note Two. Payments of principal and interest under City Note Two shall be payable in installments as follows: One Hundred Thousand and No/100 Dollars (\$100,000) on March 1 of each year following the year the City issues the Initial Certificate. The City shall only be obligated to make the subsequent annual principal payments by March 1 if the Developer shall have delivered to HED copies of the relevant Certificate of Expenditure with all appropriate supporting documentation satisfactory to HED, acting in its sole discretion by October 30 of the previous year. Accrued interest shall be paid with each payment of principal.

(iii) City Note Three. Payments of principal and interest under City Note Three shall be payable in installments as follows: One Hundred Thousand and No/100 Dollars (\$100,000) on March 1 of each year following the year the City issues the Final Certificate. The City shall only be obligated to make the subsequent annual principal payments by March 1 if the Developer shall have delivered to HED copies of the relevant Certificates of Expenditure with all appropriate supporting documentation satisfactory to HED, acting in its sole discretion by October 30 of the previous year. Accrued interest shall be paid with each payment of principal.

(g) Assignment or Pledge of City Notes for Collateral Purposes; No Cessation in Payments by the City. The City Notes may be pledged, assigned or transferred by Developer and/ or its Affiliates (each an "Approved Transfer") to any Lender providing Lender Financing (each, an "Approved Transferee"). Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of City Note One and/or City Note Two to an Approved Transferee, and upon the issuance by the City of the Initial Certificate, the City shall thereafter not cease to make payments under City Note One or City Note Two, as applicable, due to a default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of City Note Three to an Approved Transferee, and upon the issuance by the City of the Final Certificate, the City shall thereafter not cease to make payments under City Note Three due to a default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement.

4.04 Construction Escrow. If required by any Lender providing Lender Financing, any other party providing Equity or the City, Developer hereby agrees to enter into an Escrow Agreement with Lenders and other parties providing Equity. All disbursements of Project funds (except for the Prior Expenditures and acquisition costs disbursed through a deed and money escrow at the closing) shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement, the terms of this Agreement shall control. The City shall also be a party to the Escrow Agreement, not for the purpose of approving disbursements thereunder, but solely for the purpose of receiving any information it may request including, without limitation, copies of draw requests and related documents. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

4.05 Treatment of Prior Expenditures and Subsequent Disbursements.

(a) Prior Expenditures. Only those expenditures made by the Developer and 320 East with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). HED shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by HED as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded

Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

(b) Purchase of Property. [INTENTIONALLY OMITTED]

(c) City Fee. Annually, the City may allocate an amount not to exceed ten percent (10%) of the Incremental Taxes for payment of costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds prior to any payment of City Funds hereunder.

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

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

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

(a) the total amount of the request for Certificate of Expenditure 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 Project, and/or their payees;

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

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

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

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

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

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

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

4.08 Conditional Grant. The City Funds being provided hereunder are being granted on a conditional basis, subject to compliance by Developer with the provisions of this Agreement. The City Funds are subject to being reimbursed as provided in Section(s) 4.03(d), 7.01 and 15.02 hereof.

4.09 Sale of City Property. (a) The City agrees to sell and 320 East agrees to purchase the City Property legally described in Exhibit B-5 for \$10,000.00 total purchase price (the "Purchase Price ") that shall be paid in cash in full by 320 East at Closing. 320 East acknowledges and agrees that the City Property has a fair market value price of approximately Seventy-Six Thousand Dollars (\$76,000) and that the Purchase Price reflects a land write-down from such amount. Such land write-down has been made in express reliance provision in this Section 4.09. The City will convey the City Property to 320 East by quit claim deed (the "Deed"), subject to the terms of this Agreement and without limiting the quitclaim nature of the

Deed, the following:

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

320 East acknowledges that it has obtained title insurance commitments for the City Property, showing the City in title to the City Property. If necessary to clear title of exceptions for general real estate tax liens attributable to taxes due and payable prior to the Closing Date, the City shall submit to the County a tax abatement letter and/or file a vacation of tax sale proceeding in the circuit Court of Cook County, seeking the exemption or waiver of such preclosing tax liabilities, but shall owe no further duties with respect to any such taxes. The City shall also use good faith, commercially reasonable efforts shall in no instance obligate the City to incur any costs for releasing liens, setting disputed tax claims, paying unpaid taxes that cannot be addressed by the submission of a tax abatement letter or a tax sale proceeding, or similar matters. If 320 East finds title to any parcel objectionable, its sole option shall be to decline to accept title to any such parcel, with no adjustment offset or adjustment in the Purchase Price. 320 East shall be solely responsible for and shall pay all costs associated with updating title insurance commitments (including all search, continuation and later-date fees), and obtaining the Title Policy.

(b) 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 and subject to the satisfaction of all conditions precedent to closing set for in Section 5.

(c) Recordation of Quitclaim Deed. 320 East shall promptly record the Deed for the City Property in the Recorder's Office of Cook County. 320 East shall pay all costs for so recording the quitclaim deed.

(d) Escrow. In the event that the 320 East requires conveyance through an escrow, it shall pay all escrow fees.

(e) "AS IS" SALE. 320 EAST ACKNOWLEDGES THAT IT HAS HAD

ADEQUATE OPPORTUNITY TO INSPECT AND EVALUATE THE STRUCTURAL, PHYSICAL AND ENVIRONMENTAL CONDITION AND RISKS OF THE PROPERTY AND ACCEPTS THE RISK THAT ANY INSPECTION MAY NOT DISCLOSE ALL MATERIAL MATTERS AFFECTING THE PROPERTY. 320 EAST AGREES TO ACCEPT THE PROPERTY IN ITS "AS IS," "WHERE IS" AND "WITH ALL FAULTS" CONDITION AT CLOSING WITHOUT ANY COVENANT, REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF ANY KIND, AS TO THE STRUCTURAL, PHYSICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY OR THE SUITABILITY OF THE PROPERTY FOR ANY PURPOSE WHATSOEVER. 320 EAST ACKNOWLEDGES THAT IT IS RELYING SOLELY UPON ITS OWN INSPECTION AND OTHER DUE DILIGENCE ACTIVITIES AND NOT UPON ANY INFORMATION (INCLUDING, WITHOUT LIMITATION, ENVIRONMENTAL STUDIES OR REPORTS OF ANY KIND) PROVIDED BY OR ON BEHALF OF THE CITY OR ITS AGENTS OR EMPLOYEES WITH RESPECT THERETO. 320 EAST AGREES THAT IT IS ITS SOLE RESPONSIBILITY AND OBLIGATION TO PERFORM ANY ENVIRONMENTAL REMEDIATION WORK AND TAKE SUCH OTHER ACTION AS IS NECESSARY TO PUT THE PROPERTY IN A CONDITION WHICH IS SUITABLE FOR ITS INTENDED USE.

(f) Release and Indemnification. 320 East, on behalf of itself and anyone claiming by, through or under it, hereby releases, relinquishes and forever discharges the City, its officers, agents and employees, from and against any and all Losses which 320 East ever had, now has, or hereafter may have, whether grounded in tort or contract or otherwise, in any and all courts or other forums, of whatever kind or nature, whether known or unknown, arising out of or in any way connected with, directly or indirectly (a) any environmental contamination, pollution or hazards associated with the City Property or any improvements, facilities or operations located or formerly located thereon, including, without limitation, any release, emission, discharge, generation, transportation, treatment, storage or disposal of Hazardous Materials, or threatened release, emission or discharge of Hazardous Materials; (b) the structural, physical or environmental condition of the City Property, including, without limitation, the presence or suspected presence of Hazardous Materials in, on, under or about the City Property or the migration of Hazardous Materials from or to other property; (c) any violation of, compliance with, enforcement of or liability under any Environmental Laws, including, without limitation, any Losses arising under CERCLA, and (d) any investigation, cleanup, monitoring, remedial, removal or restoration work required by any federal, state or local governmental agency or political subdivision or other third party in connection or associated with the City Property or any improvements, facilities or operations located or formerly located thereon (collectively, "Released Claims"). Furthermore, the 320 East shall defend, indemnify, and hold the City harmless from and against any and all Losses which may be made or asserted by any third parties arising out of or in any way connected with, directly or indirectly, any of the Released Claims.

(g) Release Runs with the Land. The covenant of release in Section 4.09(f) shall run with the City Property, and shall be binding upon all successors and assigns of 320 East with respect to the City Property, including, without limitation, each and every person, firm, corporation, limited liability company, trust or other entity owning, leasing, occupying, using or

possessing any portion of the City Property under or through 320 East following the date of the Deed. 320 East acknowledges and agrees that the foregoing covenant of release constitutes a material inducement to the City to enter into this Agreement, and that, but for such release, the City would not have agreed to convey the City Property to 320 East. It is expressly agreed and understood by and between 320 East and the City that, should any future obligation of the 320 East, or any of the Developer, arise or be alleged to arise in connection with any environmental, soil or other condition of the City Property, neither the 320 East nor any of its current or former officers, directors, employees, agents, predecessors, successors or assigns, will assert that those obligations must be satisfied in whole or in part by the City because Section 4.09(f) contains a full, complete and final release of all such claims.

(h) Survival. The foregoing Sections 4.09(f) and (g) shall survive the Closing or any termination of this Agreement (regardless of the reason for such termination).

SECTION 5. CONDITIONS PRECEDENT

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

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

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

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

5.04 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity and other sources, if any, set forth in Section 4.01) to complete the Project. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

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

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name (and the following trade names of the Developer parties: Urban Juncture Inc., 320 East 51st LLC) as follows:

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

showing no liens against the Developer, Urban Juncture, 320 East, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

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

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

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

engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

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

5.11 Financial Statements. The Developer has provided Financial Statements to HED for the last three fiscal years, and audited or unaudited interim financial statements.

5.12 Documentation. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters, and leases for the businesses to be opened as part of the Project.

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

5.14 Corporate Documents; Economic Disclosure Statements. The Developer, Urban Juncture and 320 East have each provided a copy of their Articles of Organization or a copy of their Articles or Certificate of Incorporation, as applicable, each containing the original certification of the Secretary of State of their respective state of organization or incorporation; certificates of good standing from the Secretary of State of their respective state of organization or incorporation and all other states in which the Developer, Urban Juncture and 320 East are each qualified to do business; a secretary's certificates in such form and substance as the Corporation Counsel may require; an operating agreement of the limited liability company or bylaws of the corporation, as applicable; and such other corporate documentation as the City has requested. The Developer, Urban Juncture and 320 East have each provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

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

SECTION 6. AGREEMENTS WITH CONTRACTORS

6.01 Bid Requirement for General Contractor and Subcontractors. (a) Except as set forth in Section 6.01(b) below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago, and shall submit all bids received to HED for its inspection and written approval. (i) For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. If the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. (ii) For Project work other than the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) who has not submitted the lowest responsible bid, the difference between the lowest responsible bid and the higher bid selected shall be subtracted from the actual total Project costs for purposes of the calculation of the amount of City Funds to be contributed to the Project pursuant to Section 4.03(b) hereof. The Developer shall submit copies of the Construction Contract to 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 Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by HED and all requisite permits have been obtained.

(b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to Section 6.01(a) hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 0% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of Section 6.01(a) shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

6.02 Construction Contract. Prior to the execution thereof, the Developer shall deliver to HED a copy of the proposed Construction Contract with the General Contractor selected to handle the Project in accordance with Section 6.01 above, for HED's prior written approval, which shall be granted or denied within ten (10) business days after delivery thereof. Within ten (10) business days after execution of such contract by the Developer, the General Contractor and any other parties thereto, the Developer shall deliver to HED and Corporation Counsel a certified copy of such contract together with any modifications, amendments or supplements thereto.

6.03 Performance and Payment Bonds. Prior to the commencement of construction of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as Exhibit P hereto. The City shall be named as obligee or co-obligee on any such bonds.

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

6.05 Other Provisions. In addition to the requirements of this Section 6, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to Section 3.04 (Change Orders), Section 8.09 (Prevailing Wage), Section 10.01(e) (Employment Opportunity), Section 10.02 (City Resident Employment Requirement), Section 10.03 (MBE/WBE Requirements, as applicable), Section 12 (Insurance) and Section 14.01 (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof.

SECTION 7. COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Initial Certificate of Completion of Rehabilitation.

HED shall, upon the Developer's written request, issue to the Developer a certificate in recordable form (the "Initial Certificate") certifying that the Developer has fulfilled its obligation to complete the rehabilitation of the Initial Phase of the Project in accordance with the terms of this Agreement. Completion of the Initial Phase of the Project shall be deemed to have occurred upon the occurrence of the following:

(i) completion of the work (as evidenced by the issuance of a certificate of occupancy (temporary or final) from the City's Department of Buildings for the shell and core of the Facility and the tenant-build out for at least three (3) of the four (4) Approved Food Related Businesses, together with the accessory surface parking to be constructed on the City Property, as depicted on Exhibit Q;

(ii) completion of the landscaped community garden on the Community Garden Property;

(iii) HED shall receive written confirmation that Developer is in complete compliance with requirements for Prevailing Wage (Section 8.09), Employment Opportunity (Section 10.01), City Residency Employment (Section 10.02) and MBE/WBE Program (Section 10.03); together with the other requirements referred to as the "City Human Rights Requirements" from the City Monitoring and Compliance Unit with respect to the work described in clauses (i) and (ii) above;

(iv) HED shall have received from the Developer (1) written evidence that the Project has been registered with the U.S. Green Building Counsel and (2) a copy of the LEED checklist for the Project; **and**

(v) HED shall confirm that at least three (3) of the Approved Food Related Businesses are occupied with tenants operating restaurants, produce and other food related retail shopping venues.

Response to Developer Request for Initial Certificate: HED shall respond to the Developer's written request for a Initial Certificate within forty-five (45) days from receiving the Developer's written request by (A) issuing the Initial Certificate or (B) a written statement detailing the ways in which the Initial Phase of the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Initial Certificate. The Developer may resubmit a written request for the Initial Certificate upon completion of such measures.

7.02 Final Certificate of Completion of Rehabilitation.

HED shall, upon the Developer's written request, issue to the Developer a certificate in recordable form (the "Final Certificate of Completion") certifying that the Developer has fulfilled its obligation to complete the rehabilitation of the Project in accordance with the terms of this Agreement. Completion of the Project shall be deemed to have occurred upon the occurrence of the following:

(i) The Completion of the Initial Phase of the Project as evidenced by the issuance of the Initial Certificate;

(ii) completion of the tenant-build out for all four (4) Approved Food Related Businesses to be located at the Facility pursuant to this Agreement;

(iii) completion on the Facility of the production roof;

(iv) HED shall receive written confirmation that Developer is in complete compliance with requirements for Prevailing Wage (Section 8.09), Employment Opportunity (Section 10.01); City Residency Employment (Section 10.02) and MBE/WBE Program (Section 10.03); together with the other requirements referred to as the "City Human Rights Requirements" from the City Monitoring and Compliance Unit with respect to the work described in clauses (i) (ii) and (iii) above; and

(v) HED shall confirm that all four (4) of the Approved Food Related Businesses are occupied with tenants operating restaurants, produce and other food related retail shopping venues.

Response to Developer Request for Final Certificate: HED shall respond to the Developer's written request for the Final Certificate within forty-five (45) days from receiving the Developer's written request by (A) issuing the Final Certificate or (B) a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Final Certificate. The Developer may resubmit a written request for the Final Certificate upon completion of such measures.

7.03 Effect of Issuance of Certificate. The Initial Certificate relates only to the Completion of the Initial Phase of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. The Final Certificate relates to the completion of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of 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 4.09 8.02, 8.06, 8.19, 8.20, and as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

7.04 Failure to Complete. If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

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

(b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of

completing the TIF-Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

(c) the right to seek reimbursement of the City Funds paid as principal and interest payments on the City Notes from the Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax exempt status of the TIF Bonds, if any.

Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of City Note One and/or City Note Two to an Approved Transferee and the issuance by the City of the Initial Certificate, the City shall not thereafter terminate, suspend or cease to make payments under the City Note One or City Note Two, as applicable, due to a default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of City Note Three to an Approved Transferee and the issuance by the City of the Final Certificate, the City shall not thereafter terminate, suspend or cease to make payments under the City Note Three due to a default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement.

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

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

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

(a) the Developer is an Illinois limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state, due to the nature of its activities or properties, such qualification or license is required. Urban Juncture is an Illinois 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. 320 East is an Illinois limited liability company duly organized, validly existing, qualified to do business in Illinois, and licensed to do business in any other state, due to the nature of its activities or properties, such qualification or license is required.

(b) the Developer, Urban Juncture and 320 East have the right, power and authority to enter into, execute, deliver and perform this Agreement;

(c) the execution, delivery and performance by the Developer, Urban Juncture and 320 East of this Agreement have been duly authorized by all necessary corporate action, and does not and will not violate their respective Articles of Organization, Articles of Incorporation, bylaws/ or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer and its Affiliates are now a parties or by which the Developer and its Affiliates are now or may become bound;

(d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and nongovernmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof)

(e) the Developer, Urban Juncture and 320 East are now and for the Term of the Agreement shall remain solvent and able to pay their debts as they mature;

(f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer, Urban Juncture and 320 East which would impair their ability to perform under this Agreement;

(g) the Developer, Urban Juncture and 320 East have and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

(h) the Developer, Urban Juncture and 320 are not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the they are a party or by which the they are bound;

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

(j) prior to the issuance of a Final Certificate, the Developer and 320 East shall not do any of the following without the prior written consent of HED: (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (including but not limited to any

fixtures or equipment now or hereafter attached thereto) except in the ordinary course of business; (3) enter into any transaction outside the ordinary course of the their business; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the their financial condition; furthermore, for a period of ten (10) years following the anniversary of the date the City issues the final Certificate, Developer and 320 East may not sell, transfer, convey, lease or otherwise dispose of all or substantially all of their assets or any portion of the Property (including but not limited to any fixtures or equipment now or hereafter attached thereto) except to a wholly owned entity of Developer, for mortgages granted by Developer in connection with any Approved Lender Financing, leases to tenants in the produce venue, restaurant(s) or food related retail shopping venues contemplated as part of the Project or otherwise in the ordinary course of business.

(k) the Developer and 320 East have not incurred, and, prior to the issuance of a Certificate, shall not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; and

(l) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer, Urban Juncture and 320 East in violation of Chapter 2-156-120 of the Municipal Code of the City; and

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

8.02 Covenant to Redevelop. Upon HED's approval of the Project Budget, the Scope Drawings and Plans and Specifications as provided in Sections 3.02 and 3.03 hereof, and the Developer's receipt of all required building permits and governmental approvals, the Developer, Urban Juncture and 320 East shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Bond Ordinance(if any), the TIF Bond Ordinance, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Certificate with respect thereto.

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

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

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

8.06 Job Creation and Retention; Covenant to Remain in the City . Developer has the goal of creating 70 full time equivalent, permanent jobs upon Completion of the Project. In any event, Developer shall create not less than forty (40) full time equivalent, permanent, jobs which shall be retained by the Developer at the Project. Notwithstanding the foregoing, the Developer may temporarily maintain not more than five (5) of the minimum forty (40) full time equivalent, permanent, jobs at a location other than the Project until the build-out of the second floor office space at the Facility is completed, but not later than two years from Completion of the Project. The jobs created by Developer shall be retained for a period of ten (10) years following Completion of the Project (the "Minimum Jobs Requirement Commencement Date"). Developer agrees to submit evidence of the full-time equivalent jobs and occupancy with its annual note requisitions. In any year after the Minimum Jobs Requirement Commencement Date that Developer fails to maintain a monthly average of not less than forty (40) full time equivalent,

permanent, jobs, the Developer shall be deemed to have failed to comply with the minimum jobs requirement hereunder. If the Developer fails to comply with such minimum jobs requirement for any three (3) years or any two (2) consecutive years during the first ten (10) years following the Minimum Jobs Requirement Commencement Date, then for each year of non-compliance minimum jobs requirement, the Developer shall be obligated to pay to the City as liquidated damages for such non-compliance the sum of two thousand five hundred Dollars (\$2500) per year for each job for which the forgoing minimum jobs requirement is not satisfied. The amount of any liquidated damages accruing pursuant to this paragraph shall be secured by the Subordinate Mortgage.

Upon Completion of the Project, the Developer shall be required to maintain at least seventy-five percent (75%) of the approximately 5,632 square feet of leasable space on the first floor of the Facility currently allocated to the four (4) Approved Food Related Businesses contemplated for the Project to be occupied by grocers, restaurants or other food related businesses as contemplated herein for a period equal to ten (10) years following Completion of the Project. The Developer hereby covenants and agrees to maintain its operations within the City of Chicago at the Completion of the Project Facility throughout the term of this Agreement. During any year commencing with the date of Completion of the Project that the Developer fails to maintain at least seventy-five percent (75%) of the leasable space in the Facility occupied by grocers, restaurants or other food related businesses as contemplated herein, the Developer shall be deemed to have failed to with the minimum occupancy requirement hereunder. If the Developer fails to comply with such minimum occupancy requirement for any three (3) years or any two (2) consecutive years during the first ten (10) years following the date of Completion of the Project, then for each year of non-compliance minimum occupancy requirement, the Developer shall be obligated to pay to the City as liquidated damages for such non-compliance the sum of One Thousand Five Hundred Dollars (\$1,500) per year for each one percent (1%) of vacant space under the minimum occupancy requirement. The amount of any liquidated damages accruing pursuant to this paragraph shall be secured by the Subordinate Mortgage.

The aggregate amount of the liquidated damages for the Developer's breach of its obligations under this Section 8.06 shall not exceed Five Hundred Thousand Dollars (\$500,000).

8.07 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to the City written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City monthly. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED's satisfaction, the manner in which the Developer shall correct any shortfall.

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

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

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

8.11 Conflict of Interest. Pursuant to Section 5/1174.44(n) of the Act, the Developer, Urban Juncture and 320 East represent, warrant and covenant that, to the best of their knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the business of Developer, Urban Juncture and 320 East, the Property or any other property in the Redevelopment Area.

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

8.13 Financial Statements. The Developer shall obtain and provide to HED Financial Statements for the Developer's fiscal years 2009, 2010 and 2011 and each year thereafter for the Term of the Agreement. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

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

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

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

- (i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this Section 8.15); or
- (ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

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

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

8.18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. Either this Agreement shall be recorded prior to any mortgage made in connection with Lender Financing or a subordination agreement, substantially in the form of Exhibit O hereto, will have to be prepared, executed and recorded in order to subordinate the lien of any mortgage securing any Lender Financing to certain provisions of this Agreement. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

8.19 Real Estate Provisions.

(a) Governmental Charges.

(i) Payment of Governmental Charges. The Developer, Urban Juncture and 320 East agree to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, Urban Juncture, 320 East, the Property or the Project, or become due and payable, and which create, may create, or appear to create a lien upon the Developer, Urban Juncture, 320 East or all or any portion of the Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances relating to the Developer, the Property or the Project including but not limited to real estate taxes.

(ii) Right to Contest. The Developer, Urban Juncture and 320 East 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. Their right to challenge real estate taxes applicable to the Property is limited as provided for in Section 8.19(c) below; provided, that such real estate taxes must be paid in full when due and may be disputed only after such payment is made. No such contest or objection shall be deemed or construed in any way as relieving, modifying or extending their covenants to pay any such Governmental Charge at the time and in the manner provided in this Agreement unless they have given prior

written notice to HED of the their intent to contest or object to a Governmental Charge and, unless, at HED's sole option,

(iii) the Developer, Urban Juncture and 320 East shall demonstrate to HED's satisfaction that legal proceedings instituted by the Developer contesting or objecting to a Governmental Charge shall conclusively operate to prevent or remove a lien against, or the sale or forfeiture of, all or any part of the Property to satisfy such Governmental Charge prior to final determination of such proceedings; and/or

(iv) the Developer, Urban Juncture and 320 East shall furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property during the pendency of such contest, adequate to pay fully any such contested Governmental Charge and all interest and penalties upon the adverse determination of such contest.

(b) Developer's Failure To Pay Or Discharge Lien. If the Developer, Urban Juncture and 320 East fails to pay any Governmental Charge or to obtain discharge of the same, the they shall advise HED thereof in writing, at which time HED may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer, Urban Juncture and 320 East under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to HED by the Developer, Urban Juncture and 320 East. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed to obligate the City to pay any such Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

(b) Real Estate Taxes.

(i) Acknowledgment of Real Estate Taxes. The Developer, Urban Juncture and 320 East agree that (A) for the purpose of this Agreement, the total projected minimum assessed value of the Property that is necessary to support the debt service indicated ("Minimum Assessed Value") is shown on Exhibit K attached hereto and incorporated herein by reference for the years noted on Exhibit K; (B) Exhibit K sets forth the specific improvements which will generate the fair market values, assessments, equalized assessed values and taxes shown thereon; and (C) the real estate taxes anticipated to be generated and derived from the respective portions of the Property and the Project for the years shown are fairly and accurately indicated in Exhibit K.

(ii) Real Estate Tax Exemption. With respect to the Property or the Project, neither the Developer, Urban Juncture, 320 East, nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the them shall, during the Term of this Agreement, seek, or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)) for any year that the Redevelopment Plan is in effect.

(iii) No Reduction in Real Estate Taxes. Neither the Developer, Urban Juncture, 320 East, nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer shall, during the Term of this Agreement, directly or indirectly, initiate, seek or apply for proceedings in order to lower the assessed value of all or any portion of the Property or the Project below the amount of the Minimum Assessed Value as shown in Exhibit K for the applicable year.

(iv) No Objections. Neither the Developer, Urban Juncture, 320 East, nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to the Developer, shall object to or in any way seek to interfere with, on procedural or any other grounds, the filing of any Underassessment Complaint or subsequent proceedings related thereto with the Cook County Assessor or with the Cook County Board of Appeals, by either the City or any taxpayer. The term "Underassessment Complaint" as used in this Agreement shall mean any complaint seeking to increase the assessed value of the Property up to (but not above) the Minimum Assessed Value as shown in Exhibit K.

(v) Covenants Running with the Land. The parties agree that the restrictions contained in this Section 8.19(c) are covenants running with the land and this Agreement shall be recorded by the Developer as a memorandum thereof, at the Developer's expense, with the Cook County Recorder of Deeds on the Closing Date. These restrictions shall be binding upon the Developer and its agents, representatives, lessees, successors, assigns and transferees from and after the date hereof, provided however, that the covenants shall be released when the Redevelopment Area is no longer in effect. The Developer agrees that any sale, lease, conveyance, or transfer of title to all or any portion of the Property or Redevelopment Area from and after the date hereof shall be made explicitly subject to such covenants and restrictions. Notwithstanding anything contained in this Section 8.19(c) to the contrary, the City, in its sole discretion and by its sole action, without the joinder or concurrence of the Developer, its successors or assigns, may waive and terminate the Developer's covenants and agreements set forth in this Section 8.19(c).

(d) Notification to the Cook County Assessor of Change in Use and Ownership. Prior to the Closing Date, the Developer shall complete a letter of notification, in accordance with 35 ILCS 200/1520, notifying the Cook County Assessor that there has been a change in use and ownership of the City Property. On the Closing Date, the Developer shall pay to the Title Company the cost of sending the notification to the Cook County Assessor via certified

mail, return receipt requested. After delivery of the notification, the Developer shall forward a copy of the return receipt to HED, with a copy to the City's Corporation Counsel's office.

8.20 Equity Sharing Upon Sale or Refinancing of Project. In the event of a sale or refinancing of the Project or any part thereof, the Developer agrees to pay and remit to the City a portion of the net proceeds of such sale as follows:

- (i) Commencing on the date of this Agreement, through the first anniversary of the date of the issuance by the City of the Final Certificate, the sum of five percent (5%) of the net proceeds of any such sale or refinancing of the Project.
- (ii) Commencing on the first anniversary of the date of the issuance by the City of the Final Certificate, and on each successive anniversary thereafter, the amount of the City's share of the net proceeds of any such sale or refinancing of the Project shall be increased by two percent (2%) each year to a maximum of twenty percent.

The Developer's obligation to pay and remit to the City a portion of the net proceeds of any such sale or refinancing of the Project shall terminate and expire as of the tenth (10th) anniversary of the date of issuance of the Final Certificate. For purposes of this Section 8.20, the net proceeds of any sale or refinancing shall be determined as the amount of the proceeds of any sale or refinancing of the Project realized by the Developer after the payment of all accrued, unpaid indebtedness and operating expenses allocable to the Project or the portion thereof sold or refinanced, the return of investor equity allocable to the Project or the portion thereof sold or refinanced, and reasonable and customary closing costs and expenses of any such sale or refinancing. The Developer's obligations under this Section 8.20 shall be secured by the Subordinate Mortgage. Notwithstanding the foregoing, the further investment of equity capital in the Developer, Urban Juncture or 320 East (including any further investment made to facilitate the future expansion of commercial/retail and office uses on the first and second floors of the Facility and/or the future development of the Parking Lot Property and the Community Garden Property with retail and commercial uses) shall not be considered to be a sale or refinancing of the Project or any part thereof.

8.21 Covenant to Maintain Community Garden. The Developer covenants and agrees to maintain the landscaped community garden located on the Community Garden Property (or if relocated to another site within the Bronzeville community in accordance with Section 3.01, at alternative site) in good condition and repair at all times during the term of this Agreement.

8.22 Job Readiness Program. The Developer, its tenants in the Facility and the General Contractor shall undertake a job readiness program, as described in Exhibit N hereto, to work with the City, through the Mayor's Office of Workforce Development ("MOWD"), to participate in job training programs to provide job applicants for the jobs created by the Project and the operation of the Developer's and tenants' business on the Property. Developer and General Contractor will meet with MOWD prior to the Closing.

8.23 Survival of Covenants. All warranties, representations, covenants and agreements of the Developer, Urban Juncture and 320 East contained in this Section 8 and elsewhere in this Agreement shall be true, accurate and complete at the time of the their 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 the Final Certificate) shall be in effect throughout the Term of the Agreement.

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

8.25 Environmental Design Features of Project. The Project shall include a number of environmentally sustainable design features including, without limitation, recycling program, green roofing, use of recycled/ reused material in rehabilitation process, high efficiency HVAC, high efficiency lighting, and solar thermal installation as certified by the United States Green Building Council or any successor thereof.

SECTION 9. COVENANTS/REPRESENTATIONS/WARRANTIES

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

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

SECTION 10. DEVELOPER'S EMPLOYMENT OBLIGATIONS

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

(a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as

defined in the City of Chicago Human Rights Ordinance, Chapter 2160, Section 2160010 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 nondiscriminatory manner with regard to all job related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.

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

(c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

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

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

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

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

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 292330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

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

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

Weekly certified payroll reports (U.S. Department of Labor Form WH347 or equivalent) shall be submitted to the Commissioner of HED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of noncompliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project budget (the product of .0005 x such aggregate hard construction costs) (as the same shall be evidenced by approved contract value for the actual contracts) shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution. Any retainage to cover contract performance that may become due to the Developer pursuant to Section 2-92-250 of the Municipal Code of Chicago may be withheld by the City pending the Chief Procurement Officer's determination as to whether the Developer must surrender damages as provided in this paragraph.

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

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

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

(a) Consistent with the findings which support, as applicable, (i) the Minority Owned and Women Owned Business Enterprise Procurement Program, Section 292420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority and Women Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the

extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H2 hereto) shall be expended for contract participation by MBEs and by WBEs:

(1) At least 24 percent by MBEs.

(2) At least four percent by WBEs.

(b) For purposes of this Section 10.03 only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a "contractor" and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

(c) Consistent with Sections 2-92-440 and 2-92-720, Municipal Code of Chicago, the Developer's MBE/WBE commitment may be achieved in part by the Developer's status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer) or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as the General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials or services used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer's MBE/WBE commitment as described in this Section 10.03. In accordance with Section 2-92-730, Municipal Code of Chicago, the Developer shall not substitute any MBE or WBE General Contractor or subcontractor without the prior written approval of HED.

(d) The Developer shall deliver quarterly reports to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by 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 the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment.

The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

(e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-925-40 and 2-92-730, Municipal Code of Chicago, as applicable.

(f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable.

(g) Prior to the commencement of the Project, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03. The General Contractor and all major subcontractors shall be required to attend this preconstruction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03 to the City's monitoring staff, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to 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.

SECTION 11. ENVIRONMENTAL MATTERS

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

SECTION 12. INSURANCE

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability.

Coverages must include the following: All premises and operations, products/completed operations independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, noncontributory basis for any liability arising directly or indirectly from the work.

(iii) All Risk Property

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

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

(i) Workers Compensation and Employers Liability

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

(ii) Commercial General Liability (Primary and Umbrella)

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

(iii) Automobile Liability (Primary and Umbrella)

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

(iv) Railroad Protective Liability

When any work is to be done adjacent to or on railroad or transit property, Developer must provide cause to be provided with respect to the operations that Contractors perform, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy must have limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses

arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) All Risk /Builders Risk

When Developer undertakes any construction, including improvements, betterments, and/or repairs, the Developer must provide or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the project. The City of Chicago is to be named as an additional insured and loss payee/mortgagee if applicable.

(vi) Professional Liability

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

(vii) Valuable Papers

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

(viii) Contractors Pollution Liability

When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

(c) Post Construction:

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

(d) Other Requirements:

The Developer must furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The Developer must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached) or equivalent prior to closing. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Developer is not a waiver by the City of any requirements for the Developer to obtain and maintain the specified coverages. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Nonconforming insurance does not relieve Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to stop work and/or terminate agreement until proper evidence of insurance is provided.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or nonrenewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Developer and Contractors.

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

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

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

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

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

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

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

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

SECTION 13. INDEMNIFICATION

13.01 General Indemnity. Developer and its Affiliates agree to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnatee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

- (i) the Developer's failure or its Affiliates' failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (ii) the Developer's failure or its Affiliates' failure or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- (iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or
- (iv) the Developer's failure or its Affiliates' failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

provided, however, that Developer or its Affiliates shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer or its Affiliates shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

SECTION 14. MAINTAINING RECORDS/RIGHT TO INSPECT

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

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

SECTION 15. DEFAULT AND REMEDIES

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

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

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

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

(e) the commencement of any proceedings in bankruptcy by or against the Developer or its Affiliates or for the liquidation or reorganization of the Developer or its Affiliates, or alleging that the Developer or its Affiliates are insolvent or unable to pay their debts as they mature, or for the readjustment or arrangement of the Developer's debts or those of its Affiliates, 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 nonstatutory proceedings involving the Developer or its Affiliates; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

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

(i) the dissolution of the Developer or the death of any natural person who owns a material interest in the Developer; or

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

(k) prior to the expiration of period starting with the Closing Date and ending on the tenth (10th) anniversary of the issuance of the Final Certificate, the sale or transfer of a majority of the ownership interests of the Developer or its Affiliates without the prior written consent of the City; or

(l) failure to meet the Net Leaseable Square Foot Requirement and the Jobs Requirement for three (3) years during the period starting with the issuance of the Final Certificate and ending with the tenth (10th) anniversary of the issuance of the Final Certificate;

(m) failure to obtain City approval for the sale of any interest in the Project, prior to the tenth (10th) anniversary of the issuance of the Final Certificate;

(n) failure to notify the City of an intent to sell any interest in the Project after the tenth (10th) anniversary of the issuance of the Final Certificate; and

For purposes of Sections 15.01(i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten (10%) of the Developer's membership or other ownership interests or the issued and outstanding shares of stock (or other ownership interests) of Developer.

15.02 Remedies Upon the occurrence of an Event of Default, the City may terminate this Agreement and any other agreements to which the City and the Developer and its Affiliates are or shall be parties, suspend disbursement of payments of principal and interest under the City Notes and seek reimbursement from the Developer or its Affiliates of any City Funds paid as principal and interest payments on the City Note. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to damages, injunctive relief or the specific performance of the agreements contained herein. Upon the occurrence of an Event of Default under Section 8.06, the Developer shall be obligated to repay to the City all previously disbursed City Funds paid as principal and interest payments on City Note Three. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of the City Note One and/or City Note Two to an Approved Transferee, and upon the issuance by the City of the Initial Certificate, the City shall thereafter not terminate, suspend or cease to make payments under City Note One or City Note Two due to a default by the Developer or any party Affiliate of Developer under the

Redevelopment Agreement. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of the City Note Three to an Approved Transferee, and upon the issuance by the City of the Final Certificate, the City shall thereafter not terminate, suspend or cease to make payments under City Note Three due to a default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement.

15.03 Curative Period. In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer or Mortgagee have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a nonmonetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer or Mortgagee 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 nonmonetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured. In the event that an Event of Default occurs under this Agreement, and if, as a result thereof, the City intends to exercise a right or remedy available to it, the City shall send notice of such default and intended exercise to the holder of a mortgage authorized by this Agreement (herein, a "Mortgagee"). If the Event of Default is not cured in the time period provided for herein, the City may institute such proceedings at law or in equity as may be necessary or desirable to cure and remedy the Event of Default, including but not limited to, proceedings to compel specific performance

SECTION 16. MORTGAGING OF THE PROJECT

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

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

(b) In the event that any mortgagee shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with Section 18.15 hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, in which case the 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 Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land.

(c) Prior to the issuance by the City to the Developer of a Final 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) telecopy or facsimile; (c) overnight courier, or (d) 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, Illinois 60602
	Attention: Commissioner

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

If to the Developer: Urban Juncture Inc.
4245 S. Dr. Martin Luther King Jr. Drive
Chicago, Illinois 60653

With Copies To: Charity & Associates
20 N. Clark Street
Chicago, Illinois 60602
Attn: Elvin Charity, Esq.

If to Mortgagee: Community Reinvestment Fund Inc.
850 West Jackson, Blvd., Suite 825
Chicago, Illinois 60607
Attn: Peter C. Quigley

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

SECTION 18. MISCELLANEOUS

18.01 Amendment. This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; 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, construction or job creating obligations of Developer (including those set forth in Sections 10.02 and 10.03 hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than six months.

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

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

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

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

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

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

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

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

18.10 Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the

remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the Bond Ordinance, 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 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 or Acting Commissioner in writing and in the reasonable discretion thereof. The Commissioner or Acting Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City.

18.15 Assignment. The Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited to Section 8.19 (Real Estate Provisions) and Section 8.23 (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

18.16 Binding. This Agreement shall be binding upon the Developer, Urban Juncture, 320 East, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, Urban Juncture, 320 East, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

18.17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty,

strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

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

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

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

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

18.22 Business Relationships. The Developer, Urban Juncture and 320 East each acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer, Urban Juncture and 320 East have read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee

hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer, Urban Juncture and 320 East 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.

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

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

300 EAST 51st LLC, an Illinois limited liability company

By: Urban Juncture, Inc., an Illinois corporation, its Manager

By: _____
BERNARD LOYD

Its: President

URBAN JUNCTURE, INC., an Illinois corporation

By: _____
BERNARD LOYD

Its: President

320 EAST 51st LLC, an Illinois limited liability company

By: 300East 51st LLC, an Illinois limited liability company, its Manager

By: Urban Juncture, Inc., an Illinois corporation, its Manager

By: _____
BERNARD LOYD

Its: President

CITY OF CHICAGO

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

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Bernard Loyd , personally known to me to be the President of Urban Juncture, Inc., an Illinois corporation, the Manager of 300 East 51st LLC., an Illinois limited liability company ("Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Members of 300 East, as his free and voluntary act and as the free and voluntary act of the 300 East, 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)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Bernard Loyd , personally known to me to be the President of Urban Juncture, Inc. an Illinois corporation (the "Urban Juncture"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Board of Directors of Urban Juncture, as his free and voluntary act and as the free and voluntary act of the Urban Juncture, 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)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Bernard Loyd , personally known to me to be the President of Urban Juncture, Inc., the Manager of 320 East 51st LLC, Inc., an Illinois liability company ("320 East "), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Members of 320 East, as his free and voluntary act and as the free and voluntary act of the 320 East, 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)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires _____

(SEAL)

EXHIBIT A
REDEVELOPMENT AREA

[To be inserted at Closing]

EXHIBIT B-1

PROPERTY

[Subject to Survey and Title Insurance]

[TO BE INSERTED AT CLOSING]

EXHIBIT B-2

BUILDING PROPERTY

[Subject to Survey and Title Insurance]

LEGAL DESCRIPTION

THE SOUTH 80 FEET OF BLOCK 6 IN CHARLES BUSBY'S SUBDIVISION OF THE SOUTH ½ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 20-10-122-021-0000

COMMONLY KNOWN AS: 300 EAST 51ST STREET, CHICAGO, ILLINOIS.

EXHIBIT B-3

PARKING LOT PROPERTY

[Subject to Survey and Title Insurance]

LEGAL DESCRIPTION

LOT 1 IN DRAPER AND KRAMERS SUBDIVISION OF PART OF BLOCK 7 IN BUSBY'S SUBDIVISION OF THE SOUTH ½ OF THE SOUTHEAST 1/4 OF THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN: 20-10-122-019-0000

COMMONLY KNOWN AS :320 EAST 51ST STREET, CHICAGO, ILLINOIS.

EXHIBIT B-4

COMMUNITY GARDEN PROPERTY

[Subject to Survey and Title Insurance]

LEGAL DESCRIPTION

Lots 4 and 5 in Commissioner's Partition of Lots 5, 6, 7, 8, 9, and 10 (except the East 6 feet of the original Lot 5) in Subdivision of Lot 20 in Elisha Bayley's Subdivision of the North 20 acres of the North East Quarter of the South West Quarter of Section 10, Township 38 North, Range 14, East of the Third Principal Meridian, Cook County, Illinois.

Property Index Number 20-10-306-001-0000, 20-10-306-002-0000

Commonly Known As 343-347 East 51st Street, Chicago, Illinois 60615

EXHIBIT B-5

CITY PROPERTY

[Subject to Survey and Title Insurance]

LOT2 IN DRAPER AND KRAMER'S SUBDIVISION OF PART OF BLOCK 7 IN BUSBY'S SUBDIVISION OF THE SOUTH ½ OF THE SOUTHEAST ¼ OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 38 NORTH, RANGE 14, (EXCEPT FROM SAID LOT 2 THE WEST 7 FEET OF THAT PART THEREOF LYING NORTH OF A LINE 95 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF BLOCK7 AND ALSO THE WEST 2 FEET OF THAT PART OF SAID LOT2 LYING SOUTH OF SAID LINE 95 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID BLOCK 7 CONVEYED TO THE SOUTHSIDE ELEVATED RAILROAD COMPANY BY DOCUMENT NUMBER 5450083, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

PIN(S): 20-10-122-017-0000, 20-10-122-018-0000

COMMONLY KNOWN AS: 5044-48 SOUTH CALUMET, CHICAGO, ILLINOIS.

EXHIBIT C

TIF-FUNDED IMPROVEMENTS

Acquisition	\$1,342,500
Construction and Rehab	\$3,031,563
Construction Contingency	\$ 500,000
Real estate financing & other soft costs	\$ 816,563
Build Out / Construction	\$ 659,415
Professional fees	<u>\$ 394,316</u>
Total*	\$6,744,357

*Notwithstanding the total TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the city is limited to the amount described in Section 4.03 and shall not exceed the lesser of \$3,000,000 or 35.73% of the Project Budget.

EXHIBIT D
REDEVELOPMENT PLAN

[To be inserted at Closing]

EXHIBIT E
CONSTRUCTION CONTRACT

[To be inserted at Closing]

EXHIBIT F

ESCROW AGREEMENT

[To be inserted at Closing]

EXHIBIT G

PERMITTED LIENS

1. Liens or encumbrances against the Property:

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

[To be completed by Developer's counsel, subject to City approval.]

**EXHIBIT H1
PROJECT BUDGET¹**

SOURCES:	AMOUNT
Equity From Developer & partners	\$1,142,146
Equity From ComReinvest	\$ 900,000
TIF Grant from City of Chicago ²	\$3,000,000
Land write-down from City of Chicago	\$ 66,000
Grant from Illinois EPA (GIGA)	\$ 404,000
Loan From Chicago Community Loan Fund	\$1,000,000
Loan from GreenChoice Bank	\$350,000
Dept. of Commerce & Economic Opportunities Loans	\$950,000
Deferred Developer Fee	\$585,000
Total Sources of Funds	
USES:	
Land Acquisition:	AMOUNT
Acquisition Costs	\$1,342,500
<i>Subtotal Land Acquisition</i>	<i>\$1,342,500</i>
Hard Costs:	AMOUNT
Hard Costs (incl. predevelopment)	
Furniture, Fixture	\$ 581,400
Tenant Improvements	\$ 659,415
<i>Subtotal Hard Costs</i>	
Soft Costs:	AMOUNT
Professional fees	
Pre-Opening & Working Capital	\$ 486,389
Financial costs, developer fee & interest reserve	
Contingency	\$ 500,000
Deferred Developer Fee	\$ 585,000
<i>Subtotal Soft Costs</i>	<i>\$2,782,268</i>
Total Project Costs	\$8,397,146

Note: This project budget may be adjusted after final negotiations with Cuisine of the Diaspora financial partners.

¹ This project budget may be adjusted after final negotiation with Cuisine of the Diaspora financial partners.

² A portion of the TIF Grant funds may be leveraged through a New Markets Tax Credit structure to generate equity from ComReinvest to pay costs of the Project.

EXHIBIT H2

MBE/WBE BUDGET

Item	Estimated Cost
Construction and rehabilitation cost	\$ 3,031,563
Build-out cost	659,415
Professional fees	394,316
Developer fee	<u>315,000</u>
TOTAL	\$ 4,400,294
MBE Budget = 24% of Total Eligible Costs	\$ 1,056,071
WBE Budget = 4% of Total Eligible Costs	\$ 76,012

EXHIBIT I
APPROVED PRIOR EXPENDITURES

Item	Expenditure
Acquisition	
- 300-314 East 51st	\$850,000
- 320 East 51st	\$160,000
- 343-347 East 51st	\$245,000
Interior demo & clean-out	\$84,618
Professional fees	\$123,931
Financing, insurance & tax costs	<u>\$360,000</u>
TOTAL	\$1,823,549

EXHIBIT J

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on the Developer's 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 300 East 51st LLC, an Illinois limited liability company (the "Developer"), Urban Juncture, Inc., an Illinois corporation and 320 East. 51st LLC, an Illinois limited liability company, in connection with the purchase of certain land and the construction of certain facilities thereon located in the 47th/King Drive 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) 300 East 51st LLC Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the City of Chicago (the "City");

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

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

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

In addition to the foregoing, we have examined

(a) the original or certified, conformed or photostatic copies of the Developer's (i) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; 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 corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business as a foreign corporation 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 By-Laws 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. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and (c) identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly

authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

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

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

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

Very truly yours,

By: _____
Name: _____

EXHIBIT K
PRELIMINARY TIF PROJECTION REAL ESTATE TAXES

[To be inserted at Closing]

REQUISITION FORM

The affiant, _____, _____ of _____, a
 _____ (the "Developer"), hereby certifies that with respect to that
 certain _____ Redevelopment Agreement between the Developer and the City
 of Chicago dated _____, _____ (the "Agreement"):

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.

[Developer]

By: _____

Name

Title: _____

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

My commission expires: _____

Agreed and accepted:

Name

Title: _____

City of Chicago

Department of Housing and Economic Development

EXHIBIT M-1

FORM OF NOTE

REGISTERED AMOUNT NO. R1	MAXIMUM \$1,000,000
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UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(47TH/KING DRIVE - CUISINE OF THE DIASPORA
REDEVELOPMENT PROJECT), TAXABLE SERIES A, R1

Registered Owner: Urban Juncture, Inc.

Interest Rate: Maximum of 8% per annum

Maturity Date: , _____ [_____ from issuance date]

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 in accordance with the ordinance hereinafter referred to up to the principal amount of \$1,000,000.00 and to pay the Registered Owner 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. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. 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 on the Payment Record attached hereto the amount and the due date of any payment of the principal and interest of this Note promptly upon receipt of such payment.

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

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$1,000,000.00 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Urban Juncture Inc.(the "Project"), which were acquired, constructed and installed in connection with the development of an approximately seventeen thousand square foot building in the 47th/ King Drive Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/1174.41 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 _____, _____ (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, 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, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days or more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address as is furnished in writing by such Registered owner to the Registrar.

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

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

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

Pursuant to the Redevelopment Agreement dated as of [_____, ____] between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$[_____] shall be deemed to be a disbursement of the proceeds of this Note.

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

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)

Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

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

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (47th/King Drive-Cuisine of the Diaspora Redevelopment Project), Taxable Series A, R1, of the City of Chicago, Cook County, Illinois.

Comptroller

Date:

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT	PRINCIPAL PAYMENT	PRINCIPAL BALANCE DUE
-----------------	-------------------	-----------------------

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE-NOTE ONE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(47th/King Drive-Cuisine of the Diaspora Redevelopment Project, Taxable Series A,
R1)(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, _____ (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 Redevelopment 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 Redevelopment Note is \$ _____, including the amount of this Certificate and less payment made on the Redevelopment Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:
Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT M-2

FORM OF NOTE

REGISTERED AMOUNT NO. R2	MAXIMUM \$500,000
--------------------------------	--------------------------

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(47TH/KING DRIVE-CUISINE OF THE DIASPORA
REDEVELOPMENT PROJECT), TAXABLE SERIES A, R2

Registered Owner: Urban Juncture, Inc.

Interest Rate: Maximum of 8% per annum

Maturity Date: , _____ [_____ from issuance date]

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 in accordance with the ordinance hereinafter referred to up to the principal amount of \$500,000.00 and to pay the Registered Owner 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. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. 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 the principal amount of advances made from time to time by the Registered Owner up to \$500,000.00 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Urban Juncture, Inc. (the "Project"), which were acquired, constructed and installed in connection with the development of an approximately seventeen thousand square foot building in the 47th/King Drive Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/1174.41 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 _____, _____ (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, 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, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide. Pursuant to the Redevelopment Agreement dated as of [_____, ____] between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$[_____] shall be deemed to be a disbursement of the proceeds of this Note.

Subject to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate payments of principal and of interest on this Note upon the occurrence of certain conditions, and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of this Note to an Approved Transferee, and upon the issuance by the City of the Initial Certificate, the City shall thereafter not terminate, suspend, reduce or cease to make payments under this Note due to the occurrence of an Event of Default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)

Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

Registrar
and Paying Agent
Comptroller of the

City of Chicago,
Cook County, Illinois

This Note is described in the
within mentioned Ordinance and
is the Tax Increment Allocation
Revenue Note (47th King Drive/-Cuisine of he Diaspora
Redevelopment Project), Taxable
Series A, R2of the City of
Chicago, Cook County, Illinois.

Comptroller
Date:

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT	PRINCIPAL PAYMENT	PRINCIPAL BALANCE DUE
-----------------	-------------------	-----------------------

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE-NOTE TWO

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$ _____ Tax Increment Allocation Revenue Note
(47th /King Drive-Cuisine of the Diaspora Redevelopment Project, Taxable Series A,
R2)(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, _____ (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 Redevelopment 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 Redevelopment Note is \$ _____, including the amount of this Certificate and less payment made on the Redevelopment Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:
Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT M-3

FORM OF NOTE

REGISTERED
AMOUNT
NO. R3

MAXIMUM

\$500,000

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF CHICAGO
TAX INCREMENT ALLOCATION REVENUE NOTE
(47TH/KING DRIVE-CUISINE OF THE DIASPORA
REDEVELOPMENT PROJECT), TAXABLE SERIES A, R3

Registered Owner: Urban Juncture, Inc.

Interest Rate: Maximum of 8% per annum

Maturity Date: , _____ [_____ from issuance date]

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 in accordance with the ordinance hereinafter referred to up to the principal amount of \$500,000.00 and to pay the Registered Owner 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. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the Available Incremental Taxes (as defined in the hereinafter defined Redevelopment Agreement) is due March 1 of each year until the earlier of Maturity or until this Note is paid in full. 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 the principal amount of advances made from time to time by the Registered Owner up to \$500,000.00 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Urban Juncture, Inc. (the "Project"), which were acquired, constructed and installed in connection with the development of an approximately seventeen thousand square foot building in the 47th/King Drive Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/1174.41 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 _____, _____ (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, 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, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

This Note hereby authorized shall be executed and delivered as the Ordinance and the Redevelopment Agreement provide. Pursuant to the Redevelopment Agreement dated as of [_____, ____] between the City and the Registered Owner (the "Redevelopment Agreement"), the Registered Owner has agreed to acquire and construct the Project and to advance funds for the construction of certain facilities related to the Project on behalf of the City. The cost of such acquisition and construction in the amount of \$[_____] shall be deemed to be a disbursement of the proceeds of this Note.

Subject to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate payments of principal and of interest on this Note upon the occurrence of certain conditions, and the City has reserved the right to offset liquidated damage amounts owed to the City against the principal amount outstanding under this Note. The City shall not be obligated to make payments under this Note if an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Notwithstanding anything to the contrary contained in this Agreement, following an Approved Transfer of this Note to an Approved Transferee, and upon the issuance by the City of the Final Certificate, the City shall thereafter not terminate, suspend, reduce or cease to make payments under this Note due to the occurrence of an Event of Default by the Developer or any party Affiliate of Developer under the Redevelopment Agreement.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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

Mayor

(SEAL)

Attest:

City Clerk

CERTIFICATE
OF
AUTHENTICATION

Registrar
and Paying Agent
Comptroller of the

City of Chicago,
Cook County, Illinois

This Note is described in the
within mentioned Ordinance and
is the Tax Increment Allocation
Revenue Note (47th King Drive/-Cuisine of he Diaspora
Redevelopment Project), Taxable
Series A, R3, of the City of
Chicago, Cook County, Illinois.

Comptroller

Date:

PRINCIPAL PAYMENT RECORD

DATE OF PAYMENT	PRINCIPAL PAYMENT	PRINCIPAL BALANCE DUE
-----------------	-------------------	-----------------------

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO
DEPARTMENT OF HOUSING AND ECONOMIC DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE-NOTE THREE

(Closing Date)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")
\$500,000 Tax Increment Allocation Revenue Note
(47th /King Drive-Cuisine of the Diaspora Redevelopment Project, Taxable Series A,
R3)(the "Redevelopment Note")

This Certification is submitted to you, Registered Owner of the Redevelopment Note, pursuant to the Ordinance of the City authorizing the execution of the Redevelopment Note adopted by the City Council of the City on _____, _____ (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 Redevelopment 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 Redevelopment Note is \$ _____, including the amount of this Certificate and less payment made on the Redevelopment Note.

IN WITNESS WHEREOF, the City has caused this Certification to be signed on its behalf as of (Closing Date).

CITY OF CHICAGO

By:
Commissioner
Department of Housing and Economic Development

AUTHENTICATED BY:

REGISTRAR

EXHIBIT N
JOB READINESS PROGRAM

[To be inserted at Closing]

EXHIBIT O
FORM OF SUBORDINATION AGREEMENT

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

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the day of , ____ between the City of Chicago by and through its Department of Housing and Economic Development (the "City"), _____ (the "Lender").

WITNESSETH:

WHEREAS, 300 East 51st LLC, an Illinois limited liability company (the "Developer") or one of its affiliates, has purchased certain property located within the 47/ King Redevelopment Project Area in order to redevelop a building located on the Property into several food related businesses and to provide off street parking for such businesses:

WHEREAS, the Project (as defined below) consists of (i) real property improved with an approximately seventeen thousand square feet of building space (the structures to be hereinafter referred to as the ("Facility")) which real property is owned by Developer, is commonly known as

300-314 East 51st Street and is legally described on Exhibit A-2 hereto ("Building Property"); (ii) real property across an alley from the Building Property to be used as a parking lot for the Facility (the "Parking Lot Property"), which real property is owned by 320 East 51st LLC, an Illinois limited liability company and affiliate of Developer ("320 East"), is commonly known as 320 East 51st Street, and is legally described on Exhibit A-3 hereto; and (iii) real property (the "Community Garden Property"), which real property is owned by 320 East, is commonly known as 343-347 East 51st Street, and is legally described on Exhibit A-4 hereto,.

WHEREAS, 320 East intends to purchase an adjacent parcel of real property commonly known as 5044-5048 South Calumet Avenue (the "City Property") from the City which has an appraised fair market value of approximately seventy-six thousand and no/100 dollars (\$76,000) and is legally described on Exhibit A-4 hereto [the Building Property, the Parking Lot Property and the City Property are one contiguous parcel (except for the incursion of the alley and CTA train line), are legally described as a single parcel on Exhibit A-1 hereto and hereinafter collectively referred to as the "Property"].

WHEREAS, Developer will commence and complete rehabilitation of the Facility to create four food related businesses located on the first floor of the facility along with some common space and other refinished space on the second floor of the facility which consists of approximately thirty-one hundred square feet the "Second Floor Space"). The Approved Food Related Businesses currently planned for the Facility are (i) Bronzeville Fresh Produce ("Fresh Produce"), a purveyor of fresh fruits and vegetables; (ii) Majani310, a restaurant specializing in vegetarian food ("Vegetarian"); (iii) a southern breakfast and lunch restaurant (the "Southern Breakfast"), an upscale grilled foods restaurant; and (iv) Bronzeville Jerk Shack, a carryout restaurant and catering business specializing in traditional Caribbean jerk food ("Jerk Shack"). Rehabilitation of the Facility shall include tenant build-out for each individual restaurant/store, common area improvements, completion of two surface parking areas on the Parking Lot Property and the City Property, respectively, and a variety of environmentally sustainable design features which shall include, without limitation, recycling program, green roofing, use of recycled/ reused material in rehabilitation process, high efficiency HVAC, high efficiency lighting, and solar thermal installation. The Facility and related improvements (including but not limited to those TIF-Funded Improvements) are collectively referred to herein as the "Project."

WHEREAS, [describe financing and security documents leave blanks as necessary if you do not have financing documents see example below] as part of obtaining financing for the Project, the Developer and _____, as trustee under Trust Agreement dated _____ and known as Trust No: _____ (the "Land Trustee") (the Developer and the Land Trustee collectively referred to herein as the "Borrower"), have entered into a certain Construction Loan Agreement dated as of _____ with the Lender pursuant to which the Lender has agreed to make a loan to the Borrower in an amount not to exceed \$ _____ (the "Loan"), which Loan is evidenced by a Mortgage Note and executed by the Borrower in favor of the Lender (the "Note"), and the repayment of the

Loan is secured by, among other things, certain liens and encumbrances on the Property and other property of the Borrower pursuant to the following: (i) Mortgage dated _____ and recorded _____ as document number _____ made by the Borrower to the Lender; and (ii) Assignment of Leases and Rents recorded _____ as document number _____ made by the Borrower to the Lender (all such agreements referred to above and otherwise relating to the Loan referred to herein collectively as the "Loan Documents");

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

WHEREAS, pursuant to the Redevelopment Agreement, the Developer will agree to be bound by certain covenants expressly running with the Property, as set forth in Sections 4.09, 8.02, 8.06 and 8.19 of the Redevelopment Agreement (the "City Encumbrances");

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

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

1. Subordination. All rights, interests and claims of the Lender in the Property pursuant to the Loan Documents are and shall be subject and subordinate to the City Encumbrances. In all other respects, the Redevelopment Agreement shall be subject and subordinate to the Loan Documents. Nothing herein, however, shall be deemed to limit the Lender's right to receive, and the Developer's ability to make, payments and prepayments of principal and interest on the Note, or to exercise its rights pursuant to the Loan Documents except as provided herein.

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

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

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

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

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

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

With a copy to: City of Chicago Department of Law
121 North LaSalle Street, Room 600
Chicago, Illinois 60602
Attention: Finance and Economic Development Division

If to the Lender: _____

Attention: _____

With a copy to: _____

Attention: _____

or to such other address as either party may designate for itself by notice. Notice shall be deemed to have been duly given (i) if delivered personally or otherwise actually received, (ii) if sent by overnight delivery service, (iii) if mailed by first class United States mail, postage prepaid, registered or certified, with return receipt requested, or (iv) if sent by facsimile with

facsimile confirmation of receipt (with duplicate notice sent by United States mail as provided above). Notice mailed as provided in clause (iii) above shall be effective upon the expiration of three (3) business days after its deposit in the United States mail. Notice given in any other manner described in this paragraph shall be effective upon receipt by the addressee thereof; provided, however, that if any notice is tendered to an addressee and delivery thereof is refused by such addressee, such notice shall be effective upon such tender.

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

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

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

By:

Its:

CITY OF CHICAGO

By:

Its: Commissioner, Department of Housing and Economic Development

ACKNOWLEDGED AND AGREED TO THIS

___ DAY OF _____, ____

300 East 51st LLC, an Illinois limited liability company

By:

Its:

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO
HEREBY CERTIFY THAT Andrew Mooney, personally known to me to be the Commissioner
of the Department of Housing and Economic Development of the City of Chicago, Illinois (the
"City") and personally known to me to be the same person whose name is subscribed to the
foregoing instrument, appeared before me this day in person and acknowledged that as such
Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her
free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and
purposes therein set forth.

GIVEN under my hand and notarial seal this day of _____, 2012.

Notary Public

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, _____, a notary public in and for the said County, in the State
aforesaid, DO HEREBY CERTIFY THAT _____, personally known to me to be the
_____ of _____, a _____, and personally known to me to
be the same person whose name is subscribed to the foregoing instrument, appeared before me
this day in person and acknowledged that he/she signed, sealed and delivered said instrument,
pursuant to the authority given to him/her by Lender, as his/her free and voluntary act and as the
free and voluntary act of the Lender, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires

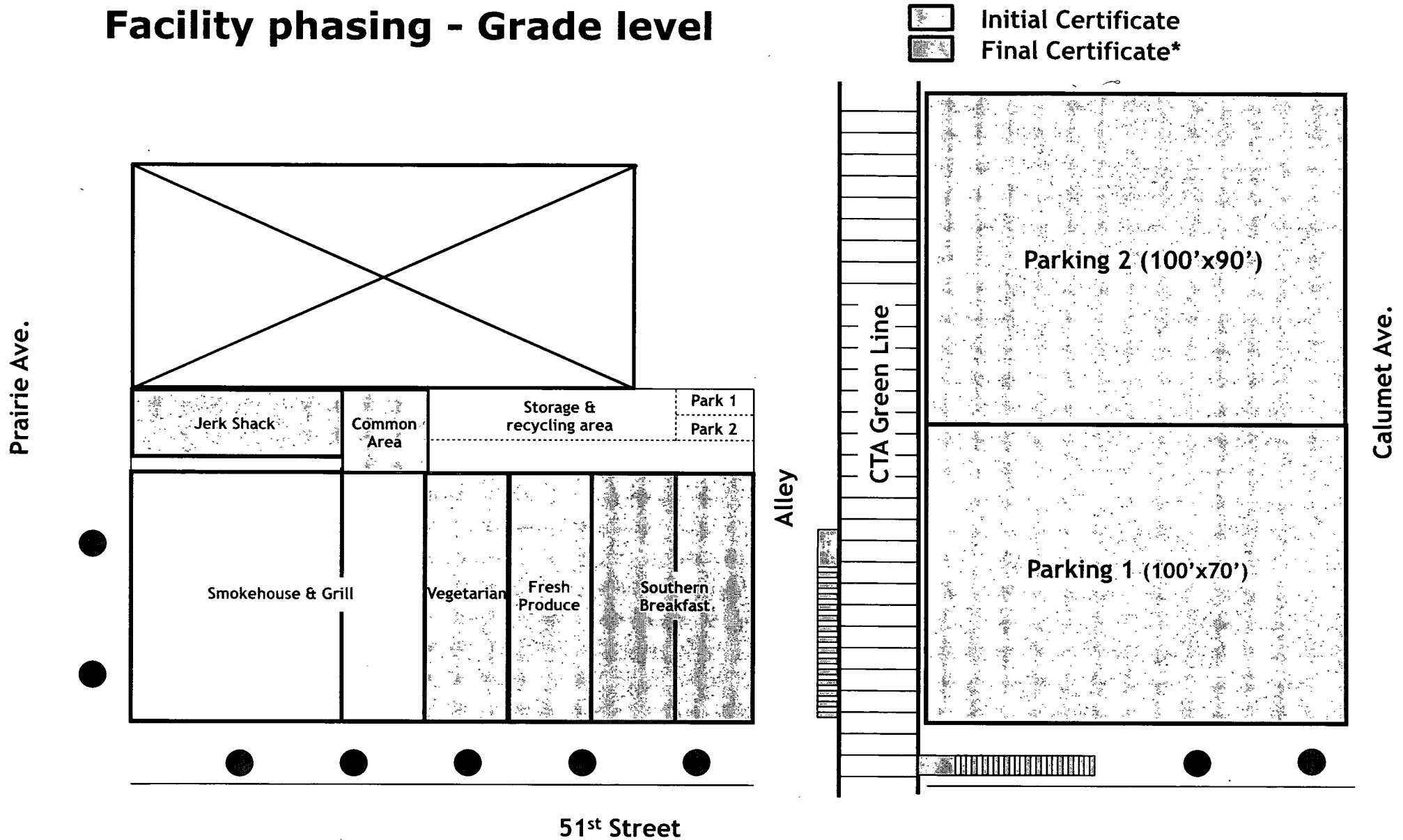
(SEAL)

EXHIBIT A LEGAL DESCRIPTION

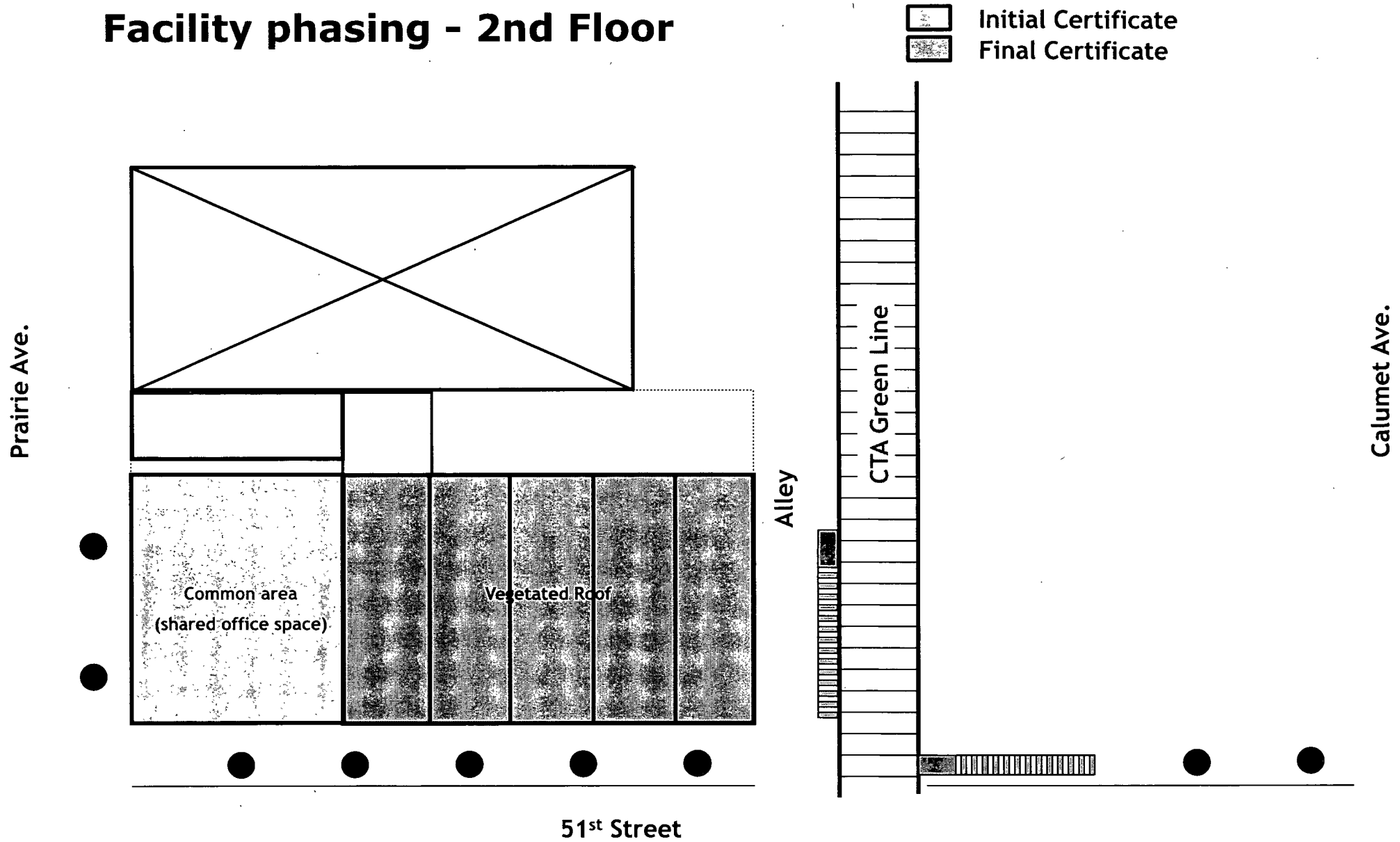
EXHIBIT P
FORM OF PAYMENT BOND
[To be inserted at Closing]

EXHIBIT Q
PROJECT PHASING PLAN

Facility phasing - Grade level

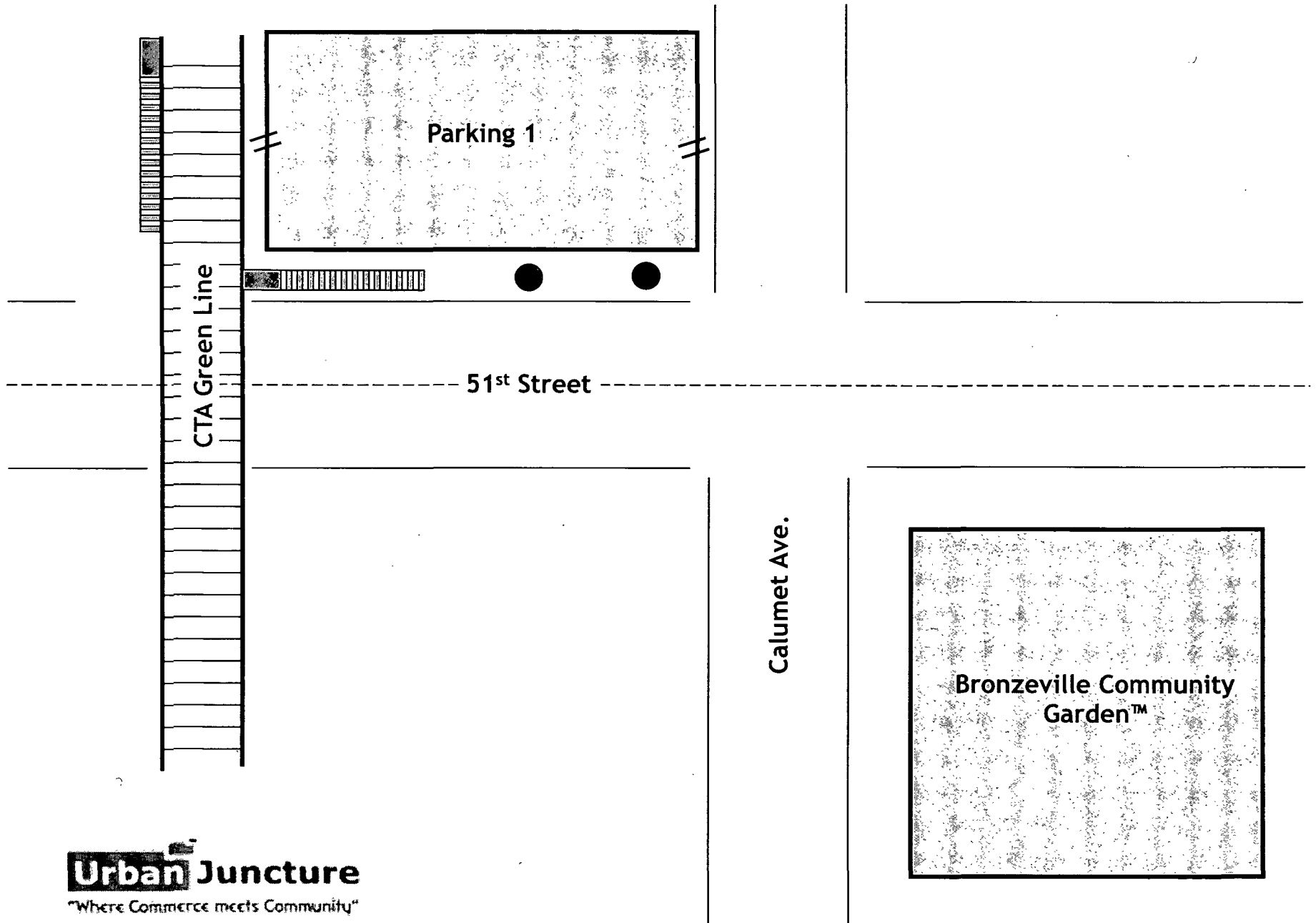


Facility phasing - 2nd Floor



Community Garden phasing

 Initial Certificate
 Final Certificate



CHICAGO June 27, 2012

To the President and Members of the City Council:

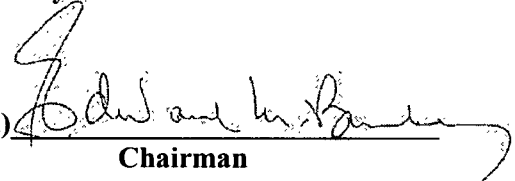
Your Committee on Finance having had under consideration

A substitute ordinance authorizing the Commissioner of the Department of Housing and Economic Development to amend a Redevelopment Agreement with 300 East 51st LLC, Urban Juncture Inc., and 320 East 51st, LLC.

Having had the same under advisement, begs leave to report and recommend that your Honorable Body pass the proposed Ordinance Transmitted Herewith

This recommendation was concurred in by _____ (a viva voce vote) of members of the committee with _____ dissenting vote(s).

Respectfully submitted

(signed) 
Chairman