



# City of Chicago



O2021-3229

Office of the City Clerk

## Document Tracking Sheet

<b>Meeting Date:</b>	7/21/2021
<b>Sponsor(s):</b>	Reilly (42)
<b>Type:</b>	Ordinance
<b>Title:</b>	Refunding of Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) through issuance of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)
<b>Committee(s) Assignment:</b>	Committee on Finance

**WHEREAS**, the City of Chicago (the "City") is a municipal corporation and home rule unit of the State of Illinois (the "State") authorized pursuant to Article 9 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/9, and the Special Assessment Supplemental Bond and Procedures Act, 50 Illinois Compiled Statutes 460 (the "Special Assessment Supplemental Bond and Procedures Act"), as modified and supplemented by Section 075 of Title 2, Chapter 102 of the Municipal Code of Chicago (the "Municipal Code"), to undertake a local improvement by special assessment and to issue special assessment improvement bonds to finance the cost of such local improvement; and

**WHEREAS**, on June 19, 2002, the City Council of the City (the "City Council") adopted an ordinance providing for the acquisition and construction of local improvements (the "Improvements") to benefit property described therein and hereafter referred to as the Lakeshore East Project which was published in the Journal of Council Proceedings (the "Journal") for such date at pages 88043 through 88202, inclusive; and

**WHEREAS**, on October 2, 2002, the City Council adopted an ordinance authorizing the issuance of the City of Chicago Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) (the "Series 2002 Bonds"), in an aggregate principal amount of not to exceed \$60,000,000 (the "Series 2002 Bonds") which was published in the Journal for such date at pages 93718 through 93919, inclusive, to finance the Improvements; and

**WHEREAS**, on January 14, 2003, the City issued the Series 2002 Bonds in the aggregate principal amount of \$58,933,000, of which \$34,938,000 are currently outstanding; and

**WHEREAS**, the Series 2002 Bonds were issued pursuant to a Trust Indenture dated as of December 1, 2002 (the "Original Bond Indenture") between the City and The Bank of New York Mellon Trust Company, N.A., as successor to BNY Midwest Trust Company, as trustee (the "Trustee"); and

**WHEREAS**, in connection with the issuance of the Series 2002 Bonds, the City entered into a Servicing Agreement dated as of December 1, 2002 (the "Servicing Agreement") with The Bank of New York Mellon, as successor to BNY Asset Solutions LLC (the "Servicer") and the Trustee; and

**WHEREAS**, the City now desires to refund the Series 2002 Bonds in order to achieve debt service savings, and proposes to effect said refunding through the issuance of its Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "Series 2021 Bonds"), in the aggregate principal amount not to exceed \$35,000,000 pursuant to a First Supplemental Trust Indenture (the "First Supplemental Indenture") between the City and the Trustee, amending and supplementing the Original Bond Indenture (the Original Bond Indenture as supplemented by the First Supplemental Indenture being hereinafter referred to as the "Bond Indenture"); and

**WHEREAS**, the Series 2002 Bonds shall be refunded in a manner that does not increase assessment installments or extend the years in which payable; and

**WHEREAS**, a Bond Purchase Agreement in substantially final form by and among the City and the Underwriter (as defined herein) with respect to the Series 2021 Bonds (the "Purchase Agreement") is attached hereto and incorporated herein as Exhibit A and which, as an ancillary agreement thereto, includes as an Exhibit K to such Exhibit A a form of Continuing Information Agreement among the City and other parties as described therein (the "Continuing Information Agreement"); and

**WHEREAS**, a Preliminary Limited Offering Memorandum in substantially final form (the "Preliminary Limited Offering Memorandum") with respect to the Series 2021 Bonds is attached hereto and incorporated herein, as Exhibit B; and

**WHEREAS**, a First Supplemental Servicing Agreement in substantially final form (the "First Supplemental Servicing Agreement") by and among the City, the Trustee and the Servicer with respect to the Series 2021 Bonds, is attached hereto and incorporated herein, as Exhibit C; and

**WHEREAS**, a First Supplemental Trust Indenture in substantially final form is attached hereto and incorporated herein as Exhibit D; and

**WHEREAS**, the Purchase Agreement, the Continuing Information Agreement, the First Supplemental Servicing Agreement, and the First Supplemental Trust Indenture shall be hereinafter referred to collectively as the "Series 2021 Bond Documents;"

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

**Section 1. Incorporation of the Recitals.** The City Council hereby find that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and are hereby incorporated by reference thereto and are made a part hereof.

**Section 2. Public Purpose.** The refunding of the Series 2002 Bonds in order to provide debt service savings through the issuance of special assessment refunding bonds is hereby authorized and determined to be in the public interest and in furtherance of the public purposes of the City.

**Section 3. Authorization of the Series 2021 Bonds.** In order to provide funds to carry out the public purpose set forth in Section 2 hereof, there are hereby authorized to be issued the limited obligation special assessment improvement refunding bonds of the City in the aggregate principal amount of not to exceed \$35,000,000, which bonds shall be designated "Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)", in each case with such additions, modifications or revisions as shall be determined to be necessary by an Authorized Officer (as defined herein) at the time of the sale of such Series 2021 Bonds to reflect the calendar year of issuance of the Series 2021 Bonds, the order of sale of the Series 2021 Bonds, whether the Series 2021 Bonds are being issued on a tax-exempt or taxable basis, or any

other authorized features of the Series 2021 Bonds determined by an Authorized Officer as desirable to be reflected in the title of the Series 2021 Bonds being issued and sold.

The Series 2021 Bonds shall be authorized and issued pursuant to Division 2 of Article 9 of the Illinois Municipal Code, the Special Assessment Supplemental Bond and Procedures Act and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, and Section 2-102-075 of the Municipal Code of Chicago (collectively, the "Authorizing Acts"). The City elects to apply to the Series 2021 Bonds the provisions of the Special Assessment Supplemental Bond and Procedures Act.

Authority is granted to each of the Mayor, the Chief Financial Officer of the City (the "Chief Financial Officer") or the City Comptroller of the City (the "City Comptroller") (an "Authorized Officer" as referred to herein being either the Chief Financial Officer or the City Comptroller) to sell the Series 2021 Bonds on such terms, subject to Section 5 hereof, as and to the extent an Authorized Officer determines that such sale is desirable and in the best financial interests of the City.

Authority is granted to each of the Authorized Officers to sell all or any portion of the Series 2021 Bonds to or at the direction of an underwriter or group of underwriters to be selected by the Authorized Officer (collectively the "Underwriter"), with the concurrence of the Chairman of the Committee on Finance of the City Council or, if unavailable or absent, the Vice Chairman of the Committee on Finance of the City Council, as an Authorized Officer may deem to be in the best interests of the City within the limitations set forth in this Ordinance.

The Series 2021 Bonds shall be issuable as fully registered bonds without coupons; shall be dated, executed and authenticated in the denominations and manner set forth in the Bond Indenture; shall bear interest from their date on the unpaid principal thereof at the rate not to exceed eight percent per annum; shall be payable as to principal and interest at the times and in the amounts set forth in the Bond Indenture; shall mature not later than December 1, 2032; and shall be subject to redemption prior to maturity at the times, under the circumstances, in the manner and at the redemption prices set forth in the First Supplemental Trust Indenture.

The Series 2021 Bonds, together with the interest payable thereon, shall be limited obligations of the City, payable from and secured as to the payment of the principal of or redemption price thereof and interest thereon, in accordance with their terms and the provisions of the Bond Indenture solely by the Trust Estate (as defined in the Bond Indenture) which includes the Assessment (as defined in the Bond Indenture) and other funds of the City held pursuant to, and as provided in, the Bond Indenture; and, pursuant to Section 13 of the Local Government Debt Reform Act, the Trust Estate is pledged to the Trustee for the benefit of the owners of the Series 2021 Bonds and all other Bonds issued and Outstanding (as defined in the Bond Indenture) thereunder, subject only to the provisions of the Bond Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Indenture.

Neither the State nor any political subdivision thereof (other than the City) shall be obligated to pay the principal of or purchase or redemption price thereof or interest on the Series 2021 Bonds, and neither the full faith and credit nor the taxing power of the State or any political subdivision thereof (including the City) is pledged to the payment of the principal of or



redemption price or interest on, the Series 2021 Bonds. The Series 2021 Bonds do not constitute a debt of the City within any constitutional or statutory limit. No Bondholder or receiver or trustee in connection with the payment of the Series 2021 Bonds shall have any right to compel the State or any political subdivision thereof (including the City) to exercise its appropriation or taxing powers.

The Series 2021 Bonds shall be issued in compliance with and under authority of the provisions of the Authorizing Acts, this Ordinance and the Bond Indenture. The Series 2021 Bonds shall be executed on behalf of the City with the official manual or facsimile signatures of the Mayor and the Clerk of the City (the "City Clerk") and shall have printed thereon a facsimile of its corporate seal or impressed thereon manually its corporate seal. In case any officer who shall have signed (whether manually or in facsimile) any of the Series 2021 Bonds shall cease to be such officer of the City before the Series 2021 Bonds have been authenticated by the Trustee or delivered or sold, such Series 2021 Bonds with the signatures thereto affixed may, nevertheless, be authenticated by the Trustee, and delivered, and may be sold by the City, as though the person or persons who signed such Series 2021 Bonds had remained in office.

**Section 4. Approval of Series 2021 Bond Documents.** The forms, terms and provisions of the Series 2021 Bond Documents are hereby in all respects approved, and any of the Mayor, an Authorized Officer and the City Clerk are hereby authorized, empowered and directed to execute and deliver the Series 2021 Bond Documents in the name and on behalf of the City. The Series 2021 Bond Documents and the Preliminary Limited Offering Memorandum, as executed and delivered, shall be in substantially the forms attached to this Ordinance as Exhibits A, B, C and D, and are hereby approved, or with such changes therein as shall be approved by the Mayor or an Authorized Officer executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Series 2021 Bond Documents and the Preliminary Limited Offering Memorandum attached hereto. The Mayor, an Authorized Officer, the City Clerk and such other officers, agents and employees of the City designated by the Mayor or an Authorized Officer are hereby authorized, empowered and directed to do all such acts and things and to execute all such additional documents as may be necessary to carry out the intent and accomplish the purposes of this Ordinance and to comply with and make effective the provisions of the Series 2021 Bond Documents; provided that in no event shall the Series 2021 Bond Documents authorize any increase in assessment installments or extend the years in which such assessment installments are payable.

**Section 5. Bond Sale.** The sale of the Series 2021 Bonds pursuant to the Purchase Agreement to the Underwriter, at a price of not less than 98% of the original principal amount thereof to be issued, exclusive of any original issue discount or premium on the Series 2021 Bonds, plus accrued interest to the date of delivery, is hereby authorized and approved.

The use and distribution of the Preliminary Limited Offering Memorandum by the Underwriter, prepared with respect to the Series 2021 Bonds is hereby ratified and approved. Any of the Mayor, an Authorized Officer and the City Clerk are hereby authorized, empowered and directed to execute and deliver a final Limited Offering Memorandum, substantially in the form of the Preliminary Limited Offering Memorandum attached hereto as Exhibit B or with such additions, changes or deletions therein as shall be approved by the Chief Financial Officer executing the same and as are necessary to reflect the final terms of the Series 2021 Bonds, her

execution thereof to constitute conclusive evidence of her approval and the City Council's approval of any and all changes or revisions therein from the form of the Preliminary Limited Offering Memorandum attached hereto as Exhibit B.

**Section 6. Notification of Sale** Subsequent to the sale of the Series 2021 Bonds, the Chief Financial Officer shall file in the Office of the City Clerk a notification of sale directed to the City Council setting forth: (i) the original principal amount of, maturity schedule and redemption provisions for the Series 2021 Bonds sold, (ii) the interest rates on the Series 2021 Bonds sold, (iii) how the Series 2021 Bonds are issued within the parameters set forth in Special Assessment Supplemental Bond and Procedures Act, (iv) the compensation paid to the Underwriter in connection with such sale, and (v) the amount of the proceeds of the Series 2021 Bonds to be applied as set forth in Section 7 of this Ordinance. There shall be attached to such notification the final form of the First Supplemental Trust Indenture, the Purchase Agreement, the Limited Offering Memorandum and the First Supplemental Servicing Agreement. The Series 2021 Bonds shall be issued within the parameters set forth in the Special Assessment Supplemental Bond and Procedures Act.

**Section 7. Use of the Proceeds of Series 2021 Bonds.** The proceeds from the sale of any of the Series 2021 Bonds shall be applied to: (i) refund and redeem all or a portion of the Series 2002 Bonds (ii) pay certain expenses incurred in connection with the issuance of the Series 2021 Bonds, and (iii) provide any required deposit in the Debt Service Reserve Account, all as shall be set forth in the First Supplemental Trust Indenture, and such proceeds are hereby appropriated for such purposes.

**Section 8. Fees.** In connection with, and as a condition to, the issuance of the Series 2021 Bonds, the City shall be paid a fee equal to 0.25 percent of the aggregate principal amount of the Series 2021 Bonds.

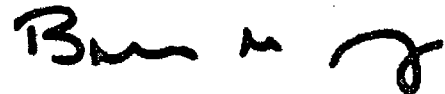
**Section 9. Proxies.** The Mayor and the Chief Financial Officer may each designate another to act as their respective proxy and to affix their respective signatures to each Series 2021 Bond, whether in temporary or definitive form, and to any other instrument, certificate or document required to be signed by the Mayor or the Chief Financial Officer pursuant to this Ordinance, the Bond Indenture or the Purchase Agreement. In each case, each shall send to the City Council written notice of the person so designated by each, such notice stating the name of the person so selected and identifying the instruments, certificates and documents which such person shall be authorized to sign as proxy for the Mayor and the Chief Financial Officer, respectively. A written signature of the Mayor or the Chief Financial Officer, respectively, executed by the person so designated underneath, shall be attached to each notice. Each notice, with signatures attached, shall be recorded in the Journal and filed with the City Clerk. When the signature of the Mayor is placed on an instrument, certificate or document at the direction of the Mayor in the specified manner, the same, in all respects, shall be as binding on the City as if signed by the Mayor in person. When the signature of the Chief Financial Officer is so affixed to an instrument, certificate or document at the direction of the Chief Financial Officer, the same, in all respects, shall be as binding on the City as if signed by the Chief Financial Officer in person.

**Section 10. Enactment.** The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of

competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity or enforceability of the remainder of the sections, phrases and provisions hereof. All ordinances, orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Ordinance shall take effect and be in full force immediately upon its adoption. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the security for or payment of the instruments authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Five copies of this Ordinance shall be published in pamphlet form, filed in the office of the City Clerk and made available for public inspection.

This Ordinance shall become effective upon its passage, approval and publication.



BRENDAN REILLY  
Alderman, 42nd Ward

APPROVED

  
CORPORATION COUNSEL

DATED: 9/16/21

APPROVED

  
MAYOR

DATED: 9/16/21

## Exhibit A

**EXHIBIT A**

**BOND PURCHASE AGREEMENT**

**\$ \_\_\_\_\_**  
**CITY OF CHICAGO**  
**Special Assessment Improvement Bonds,**  
**Refunding Series 20\_\_\_\_ (Lakeshore East Project)**

\_\_\_\_\_, 20\_\_

City of Chicago  
Office of the City Comptroller  
121 North LaSalle Street, 7<sup>th</sup> Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

Ladies and Gentlemen:

The undersigned, Loop Capital Markets LLC (the "Underwriter"), hereby offers to enter into this Bond Purchase Agreement (the "Agreement") with the City of Chicago (the "City"), for the purchase by the Underwriter, and sale by the City, of all but not less than all of \$ \_\_\_\_\_ of the City's Special Assessment Improvement Bonds, Refunding Series 20\_\_ (Lakeshore East Project) (the "Bonds"). This offer is made subject to the acceptance by the City, evidenced by the signature of a duly authorized officer of the City in the space provided below, on or before 9:00 P.M., Chicago time on the date hereof, and upon such acceptance this Agreement shall be in full force and effect in accordance with its terms and shall be binding on the City and the Underwriter.

The Underwriter is duly authorized to execute this Agreement and has full authority to take such action as it may deem advisable with respect to all matters pertaining to this Agreement. The Underwriter hereby represents to the City that it is registered and in good standing under the Securities Exchange Act of 1934, as amended (the "1934 Act"), as a municipal securities dealer.

The primary role of the Underwriter is to purchase the Bonds for the sole limited purpose of resale to thirty-five or fewer Qualified Institutional Buyers as defined in Rule 144A of the Securities Act of 1933 who meet the requirements of and have executed and delivered to the Underwriter an Investor Letter in the form of Annex 1 prior to or contemporaneously with their purchase of the Bonds (the "Investors") in an arm's-length commercial transaction between the City and the Underwriter. The Underwriter has financial and other interests that differ from those of the City.

Certain capitalized terms have the meaning ascribed to them herein and in Exhibit A attached hereto. Capitalized terms not otherwise defined herein and therein shall have the meanings ascribed thereto in the Preliminary Limited Offering Memorandum (including but not limited to Appendix A attached thereto).

1. Agreement to Sell and Purchase.

(A) Upon the terms and conditions and based upon the representations, warranties and covenants set forth herein, the Underwriter hereby agrees to purchase from the City and the City hereby agrees to sell to the Underwriter, all (but not less than all) of the Bonds at a price equal to \$\_\_\_\_\_ which represents the aggregate principal amount of the Bonds less an Underwriter's discount of \$\_\_\_\_\_ and plus[less] original issue premium [discount] of \$\_\_\_\_\_). The Bonds shall have the dated date, maturity dates, optional and mandatory sinking fund redemption provisions and shall bear interest at the rates set forth in Schedule I hereto and being further described in the final Limited Offering Memorandum of the City (as defined below), relating to the Bonds.

(B) It shall be a condition to the City's obligation to sell and deliver the Bonds that all the Bonds be purchased and paid for by the Underwriter at the Closing (as defined in Section 8 hereof) and a condition to the Underwriter's obligation to purchase and pay for the Bonds that all Bonds be issued, sold and delivered by the City at the Closing. The Underwriter confirms that the Underwriter has offered and will sell the Bonds as a limited offering solely to the Investors on or before the date of this Agreement at the offering price or prices set forth under "Terms of Bonds" contained in Schedule I.

(C) *Establishment of Issue Price.* The Underwriter agrees to assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit G with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the City and Co-Bond Counsel (as defined in Section 9 hereof), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices of the Bonds to the Investors.

Except as otherwise set forth in Exhibit G, the City will treat the first price at which 10% of each maturity of the Bonds with the same credit and payment terms (the "10% test") is sold to the Investors as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At the time of the execution of this Agreement, the Underwriter shall report to the City the price or prices at which the Underwriter has sold to the Public each maturity of the Bonds with the same credit and payment terms.

The Underwriter confirms that the Underwriter has offered the Bonds to the Public on or before the date of this Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit G attached hereto, except as otherwise set forth therein. Exhibit G also sets forth, as of the date of this Agreement, the maturities, if any, of the Bonds with the same credit and payment terms for which the 10% test has not been satisfied and for which the City and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the City to treat the initial offering price to the Public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that

is higher than the initial offering price to the Public during the period starting on the sale date and ending on the earlier of the following:

- (a) the close of the fifth (5th) Business Day after the sale date; or
- (b) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds with the same credit and payment terms to the Public at a price that is no higher than the initial offering price to the Public.

The Underwriter shall promptly advise the City when the Underwriter has sold 10% of that maturity of the Bonds with the same credit and payment terms at a price that is no higher than the initial offering price to the Public, if that occurs prior to the close of the fifth (5th) Business Day after the sale date.

The Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule and the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

The Underwriter confirms that any agreement among the Underwriter and any selling group agreement and each third-party distribution agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A)(i) report the prices at which it sells to the Public the unsold Bonds of each maturity with the same credit and payment terms allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity with the same credit and payment terms or all Bonds of that maturity with the same credit and payment terms have been sold to the Public and (ii) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, (B) promptly notify the Underwriter of any sales of the Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds (each such term as defined below); and (C) acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Underwriter shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the Public.

The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter (as defined below) participating in the initial sale of the Bonds to the Public (each such term being used as defined below) shall not constitute sales to the Public for purposes of this section 1. Further, for purposes of this section 1(C),

- (i) “Underwriter” means (A) any person that agrees pursuant to a written contract with the City or with the Underwriter to form an underwriting syndicate to participate in the initial sale of the Bonds to the Public and (B) any person that agrees

pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Investors (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public”,

(ii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

(iii) “sale date” means the date of execution of this Agreement by all parties, and

(iv) “Public” means any person other than an underwriter or a related party to an underwriter.

2. Bond Authorization. The Bonds are authorized by an ordinance of the City adopted by the City Council of the City (the “City Council”) on \_\_\_\_\_, 20\_\_\_\_, including a Notification of Sale executed pursuant thereto (collectively, the “Bond Ordinance”), and the Bonds will be issued pursuant to and secured by the Trust Indenture (as defined in the Preliminary Limited Offering Memorandum), between the City and The Bank of New York Mellon Trust Company, N.A., as Trustee, Bond Registrar and Paying Agent for the Bonds (the “Trustee”). The Bonds will mature, bear interest and have such other terms and conditions as are set forth on Schedule I hereto.

3. The Preliminary Limited Offering Memorandum. Attached hereto as Exhibit B is a copy of the Preliminary Limited Offering Memorandum of the City, dated \_\_\_\_\_, 20\_\_\_\_ (the “Preliminary Limited Offering Memorandum”). The Developer and the Servicer executed as of the date of the Preliminary Offering Memorandum their respective certificates attached hereto as Exhibits I and J. As of the date of this Agreement, the Developer and the Servicer have executed their respective bring down certificates as contemplated by Exhibits I and J and attached hereto as Exhibits I-1 And J-1.

4. Offering Price. The Underwriter has agreed to make a bona fide limited offering of the Bonds solely to Investors at the initial offering prices set forth on Schedule I. The Underwriter will provide the City and Co-Bond Counsel (as defined herein) with a closing certificate confirming the reoffering yields and prices of the Bonds and the Underwriter acknowledges that the City and Co-Bond Counsel will rely on such certificate and that such reliance is material to the City in entering into this Agreement and in connection with the delivery of the Bonds.



5. The Limited Offering Memorandum.

(A) The City shall provide, or cause to be provided, at its expense, to the Underwriter no later than the earlier of (i) seven (7) Business Days after the date of this Agreement or (ii) one (1) day prior to the Closing, three copies of the Limited Offering Memorandum of the City, dated the date hereof, relating to the Bonds (the "Limited Offering Memorandum"), signed on behalf of the City by the Chief Financial Officer. Such delivery of the Limited Offering Memorandum shall occur in sufficient time to accompany any confirmation that requests payment from any customer and in sufficient quantity to comply with the rules of the SEC and the Municipal Securities Rulemaking Board (the "MSRB"). The City shall prepare the Limited Offering Memorandum, including any amendments thereto, in word-searchable PDF format as described in the MSRB Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Limited Offering Memorandum to the Underwriter no later than one (1) Business Day prior to the Closing, to enable the Underwriter to comply with MSRB Rule G-32.

(B) If on or prior to the Closing or within twenty-five (25) days after the "end of the underwriting period" (as hereinafter defined) any event known to the City relating to or affecting the Lake Shore East Project, the Special Assessment, the Special Assessment Area, the Bond Ordinance or the Bonds, shall occur which would cause any statement of a material fact contained in the Limited Offering Memorandum to be materially incorrect or materially incomplete, the City will promptly notify the Underwriter in writing of the circumstances and details of such event. If, as a result of such event, it is necessary, in the joint opinion of the City and the Underwriter to amend or supplement the Limited Offering Memorandum by stating or restating any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading, the City will forthwith prepare or cause to be prepared and furnish to the Underwriter a reasonable number of copies of an amendment of or a supplement to such Limited Offering Memorandum in form and substance satisfactory to the City and the Underwriter, at the City's sole cost and expense, which will so amend or supplement such Limited Offering Memorandum so that, as amended or supplemented, the Limited Offering Memorandum will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. For purposes of this Agreement, the term "end of the underwriting period" shall mean the later of the date of Closing or the date on which an Underwriter no longer retains an unsold balance of the Bonds for sale to the Investors. The Underwriter agrees that the date on which the end of the underwriting period shall occur shall be the date of the Closing, unless the Underwriter otherwise notifies the City in writing prior to twenty-five (25) days after the date of the Closing that, to the best of its knowledge, the Underwriter retains for sale an unsold balance of the Bonds, in which case the end of the underwriting period shall be extended for additional periods of thirty (30) days each upon receipt of additional written notification from the Underwriter that, to the best of its knowledge, there exists an unsold balance of the Bonds, but in no event shall the end of the underwriting period be extended longer than sixty (60) days after the date of Closing.

(C) At or prior to the Closing, the Underwriter shall file, or cause to be filed, the Limited Offering Memorandum with the MSRB in compliance with the rules of the SEC and the MSRB. Promptly after the date after which the Underwriter (or any person that agrees pursuant to a written contract directly or indirectly with the Underwriter to participate in the initial sale of the Bonds to the Investors (including a member of a selling group or a party to a third-party distribution

agreement participating in the initial sale of the Bonds) does not retain, directly or as a member of an underwriting syndicate, an unsold balance of the Bonds, the Underwriter shall notify the City of such date in writing.

6. Representations, Warranties and Covenants of the City. The City represents and warrants to the Underwriter as of the date hereof that:

(A) The City is a municipal corporation and home rule unit of local government, existing under the Constitution and laws of the State of Illinois (the "State").

(B) The City Council has: (i) duly adopted the Bond Ordinance, which remains in full force and effect; (ii) duly approved the execution and delivery of the First Supplemental Trust Indenture; (iii) duly authorized the use of the Preliminary Limited Offering Memorandum prior to the date hereof in connection with the limited offering and sale of the Bonds (iv) duly authorized the execution, delivery and distribution of the Limited Offering Memorandum in connection with the limited offering and sale of the Bonds; (v) duly authorized the execution of the First Supplemental Servicing Agreement, amending the Servicing Agreement which, remains in full force and effect and (vi) duly authorized and approved the execution and delivery of the Bonds, and this Agreement.

(C) The City has full legal right, power and authority to: (i) adopt the Bond Ordinance; (ii) execute and deliver this Agreement, the First Supplemental Trust Indenture, the First Supplemental Servicing Agreement; (iii) to deliver the Limited Offering Memorandum; (iv) issue, sell and deliver the Bonds to the Underwriter pursuant to the Bond Ordinance and the Trust Indenture and as provided in this Agreement; and (v) pay for the Bonds from the sources pledged as provided under the Bond Ordinance and the Trust Indenture for their payment.

(D) The adoption of the Bond Ordinance and compliance with the provisions thereof do not, the execution and delivery of this Agreement, the First Supplemental Trust Indenture and the First Supplemental Servicing Agreement, the delivery of the Limited Offering Memorandum, and the issuance and the sale and delivery of the Bonds to the Underwriter will not, in any material manner, violate any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof or of the United States of America (the "United States") or of any department, division, agency or instrumentality thereof, or any applicable judgment or decree to which the City is subject, or conflict with, in a material manner, or constitute a material breach of, or a material default under, any ordinance, agreement or other instrument to which the City is a party or is otherwise bound.

(E) All approvals, consents and orders of, and filings (except, if any, under applicable state "blue sky" laws) with, any governmental authority, board, agency or commission having jurisdiction which would constitute a condition precedent to the performance by the City of its obligations under this Agreement, the Servicing Agreement, the Bond Ordinance, the Trust Indenture and the Bonds have been obtained or made.

(F) Other than the Prior Bonds and otherwise as specifically set forth in the Limited Offering Memorandum, there are no existing liens, claims, charges or encumbrances on or rights to any funds, revenues or interests pledged pursuant to the Bond Ordinance or the Trust Indenture

which are senior to, or on a parity with, the claims of the holders of the Bonds. Other than the Prior Bonds and otherwise as specifically disclosed in the Limited Offering Memorandum, the City has not entered into any contract or arrangements of any kind, and there is no existing, or to the knowledge of the City, pending, threatened, or anticipated event or circumstance that would give rise to any lien, claim, charge or encumbrance on or right to the assets, properties, funds, or interests pledged pursuant to the Bond Ordinance or the Trust Indenture which would be prior to, or on a parity with, the claims of the holders of the Bonds.

(G) Except as disclosed in the Limited Offering Memorandum (i) there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or any governmental agency or public board or body, pending against the City or, to the knowledge of the City, threatened against the City, to restrain or enjoin, or threatening or seeking to restrain or enjoin, the issuance, sale or delivery of the Bonds or the delivery by the City of those Ancillary Documents (as defined herein) executed by the City ("City Ancillary Documents"), or the collection of the Assessment, or in any way contesting or affecting the validity of the Special Assessment Ordinance, the Home Rule Ordinance, the Bonds, the Bond Ordinance or the City Ancillary Documents, or in any way questioning or affecting (a) the proceedings under which the Bonds are to be issued, (b) the validity or enforceability of any provision of the Bonds, the Special Assessment Ordinance, the Bond Ordinance, the Home Rule Ordinance, the Trust Indenture, the Servicing Agreement, the City Ancillary Documents or this Agreement, or (c) the authority of the City to bill and collect the Assessments, or to perform its obligations hereunder or with respect to the Bonds, or to consummate any of the transactions set forth in the City Ancillary Documents to which it is or is to be a party as contemplated hereby or by the Limited Offering Memorandum; and (ii) there is no action, suit, proceeding or investigation, at law or in equity, before or by any court or any governmental agency or public board or body, pending against the City or, to the knowledge of the City, threatened against the City, which, if adversely decided, would result in any material adverse change in the Assessments.

(H) Any certificate signed by an Authorized Officer of the City and delivered to the Underwriter and/or the Trustee shall be deemed a representation and covenant by the City to the Underwriter and/or the Trustee as to the statements made therein.

(I) Each of the Bond Ordinance, the Special Assessment Ordinance and the Home Rule Ordinance is in full force and effect, and has not been amended, modified, revoked or repealed.

(J) The Limited Offering Memorandum does not, as of its date, and will not, as of the date of Closing, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading excluding information under the caption "LAKESHORE EAST PROJECT, any description of The Depository Trust Company ("DTC") and its Book-Entry System including that under the caption "THE BONDS—Book Entry Only System" and information in the second paragraph under the caption "THE BONDS—General Description of the Bonds" describing DTC and its Book-Entry System, "LEGAL OPINIONS," "TAX EXEMPTION," "THE SERVICING AGREEMENT—"Servicer", "RISK FACTORS under the following sub-captions "Failure to Complete Development of the Lakeshore East Project", "Competition", "Concentration of Ownership of Parcels and Lots Undeveloped or Under Construction". "Reliance on the City Condominium and Rental Market" "and "Environmental", APPENDIX C—"CO-BOND

COUNSEL OPINIONS,” APPENDIX D—BOOK ENTRY ONLY SYSTEM, APPENDIX E—CONTINUING INFORMATION AGREEMENT (except for such portions as concern the City) and APPENDIX F—SOPHISTICATED INVESTMENT LETTER and excluding any and all information provided by the Servicer and the Developer used in the Limited Offering Memorandum as certified to by the Servicer and Developer by their respective certificates and bring-down certificates or indicated in the Limited Offering Memorandum as being sourced to or provided by either of them, as well as information contained under the heading “UNDERWRITING” and “LIMITED OFFERING” or otherwise indicated in the Limited Offering Memorandum as being sourced to or provided by the Underwriter as well as excluding information not referred to as explicitly sourced to the City, if any, and contained under the captions “THE SPECIAL ASSESSMENT ROLL” and SPECIAL ASSESSMENT LEVY AND COLLECTIONS”.

(K) The Bond Ordinance, the Trust Indenture, including the First Supplemental Trust Indenture, this Agreement and the Servicing Agreement, including the First Supplemental Servicing Agreement, when duly executed and delivered by the parties thereto, as appropriate, will constitute legal, valid and binding obligations of the City enforceable in accordance with their terms (except to the extent that enforceability may be limited by bankruptcy, insolvency and other laws affecting creditors’ rights or remedies and the availability of equitable remedies generally).

(L) When delivered to the Underwriter, and paid for by the Underwriter at the Closing in accordance with the provisions of this Agreement, the Bonds will be duly authorized, executed and delivered and will constitute legal, valid and binding obligations of the City enforceable in accordance with their terms (except to the extent that enforceability may be limited by bankruptcy, insolvency and other laws affecting creditors’ rights or remedies and the availability of equitable remedies generally).

(M) Except as disclosed in the Limited Offering Memorandum, as of its date, there is no action, suit or proceeding, at law or in equity, or before or by a court, public board or body, pending or, to the City’s knowledge, threatened, against the City wherein an unfavorable decision, ruling or finding would materially adversely affect (i) the validity or enforceability of the Bonds, the Bond Ordinance, the Trust Indenture, this Agreement, or the City Ancillary Documents or (ii) the excludability from federal income taxation of the interest on the Bonds under the Internal Revenue Code of 1986, as amended (the “Code”).

(N) The City has not taken, or omitted taking, and will not take or omit to take, any action, which action or omission would adversely affect the excludability from federal income taxation of the interest on the Bonds under the Code.

(O) The City will make available such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Bonds for offering and sale under the “blue sky” or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate in writing; provided, however, that nothing in this Section shall require the City to consent to general service of process in any state or jurisdiction other than the State.

(P) The City will apply the proceeds of the Bonds in accordance with the Bond Ordinance and the First Supplemental Trust Indenture.

(Q) The City acknowledges and agrees that: (i) the transaction contemplated by this Agreement is an arm's length, commercial transaction between the City and the Underwriter in which the Underwriter is acting solely as a principal and not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) the Underwriter has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City on other matters); (iii) the Underwriter has financial and other interests that differ from those of the City; and (iv) the City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

7. Representations and Agreements of the Underwriter Regarding the Limited Offering Memorandum. The descriptions and information contained in the Limited Offering Memorandum under the captions "UNDERWRITING" and "LIMITED OFFERING" or otherwise indicated in the Limited Offering Memorandum as being sourced to or provided by the Underwriter are, and as of the date of the Closing will be, true and correct in all material respects and such descriptions and information in the Limited Offering Memorandum, as of its date and as of the Closing Date will not contain an untrue, incorrect or misleading statement of a material fact; and such descriptions and information in the Limited Offering Memorandum do not, as of its date and as of the Closing Date will not omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

8. Closing. Subject to the conditions set forth in this Agreement, the closing (the "Closing") of the sale of the Bonds by the City and the purchase of the Bonds by the Underwriter, shall take place at approximately 9:00 a.m., Chicago time, on \_\_\_\_\_, 20\_\_\_\_, at the offices of Foley & Lardner LLP, 321 North Clark Street, Suite 3000, Chicago, Illinois 60654 (or at such other time, date and place as the City and the Underwriter mutually agree).

(A) At the Closing, the City shall deliver or cause to be delivered to DTC, as securities depository, for the account of the Underwriter one fully registered certificate for each interest rate and maturity of the Bonds in the aggregate principal amount thereof, registered in the name of Cede & Co., as nominee for DTC.

(B) Upon delivery of the Bonds to the Underwriter at the Closing, the City will deliver to the Underwriter the closing documents as set forth in Section 11 other than those documents to be delivered by the Developer and the Servicer.

(C) The Underwriter will accept delivery of the Bonds and pay the purchase price therefor at the Closing by delivering federal funds checks or making federal funds wire transfers or otherwise confirming deposits of same day funds, as the City shall direct, to the City's account at a bank specified by the City, in an aggregate amount equal to the purchase price of the Bonds pursuant to Section I hereof.

9. Reliance and Further Conditions of the Parties. The Underwriter and the City have entered into this Agreement in reliance upon the respective representations, warranties and agreements of the City and the Underwriter herein and the performance by the City and the Underwriter of their respective obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Agreement are and shall be subject to the following further condition that at the time of the Closing, the Bond Ordinance, the First Supplemental Trust Indenture, other Ancillary Documents and this Agreement shall be in full force and effect and the Bond Ordinance and the Limited Offering Memorandum shall not have been amended, modified or supplemented except as may have been agreed to with respect to the Limited Offering Memorandum pursuant to Section 5 hereof, and the City shall have duly adopted and there shall be in full force and effect such ordinances as, in the opinion of Foley & Lardner LLP, Chicago, Illinois, Charity and Associates, P.C., Chicago, Illinois, as co-bond counsel ("Co-Bond Counsel") shall be necessary in connection with the transactions contemplated hereby and thereby.

10. Termination of Agreement.

(A) The Underwriter shall have the right to cancel their obligations to purchase the Bonds and have the further right to terminate this Agreement, without liability therefor, by written notice to the City from the Underwriter, if, between the date hereof and the Closing:

(i) legislation shall be enacted by the Congress of the United States or adopted by either House thereof or shall have been introduced and favorably reported for passage to either House by any committee of such House to which such legislation had been referred for consideration, or a decision shall have been rendered by or adopted by either House or a decision by a court of the United States or the United States Tax Court or an order, ruling or regulation shall have been issued or proposed by or on behalf of the Treasury Department of the United States or the Internal Revenue Service, with respect to federal income taxation upon interest received on obligations of the general character of the Bonds which, in the Underwriter's reasonable opinion, does materially adversely affect the market price or marketability of the Bonds or the ability of (i) the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds, or

(ii) legislation shall have been enacted by the Congress of the United States to become effective on or prior to the Closing, or a decision of a court of the United States shall be rendered, or a stop order, ruling, regulation or proposed regulation by or on behalf of the SEC or other agency having jurisdiction over the subject matter shall be issued or made, to the effect that the issuance, sale and delivery of the Bonds, or any similar obligations of any similar public body of the general character of the City, is in violation of, or has the effect of requiring the contemplated offering, sale and distribution of the Bonds to be registered under the Securities Act of 1933, as amended, or the enactment of the Bond Ordinance or any ordinance of similar character is in violation of the Indenture Act of 1939, as amended, or with the purpose or effect of otherwise prohibiting the issuance, sale or delivery of the Bonds as contemplated hereby or by the Limited Offering Memorandum or of obligations of the general character of the Bonds which, in the Underwriter's reasonable opinion, does materially adversely affect the market price or

marketability of the Bonds or the ability of the Underwriter to enforce contracts for the sale, at the contemplated offering prices (or yields), of the Bonds, or

(iii) there shall have occurred any event which in the Underwriter's reasonable opinion, after consultation with its legal counsel, makes the Limited Offering Memorandum either (A) contain an untrue statement of a material fact or (B) omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in any material respect, and (a) the City fails to prepare or furnish or fails to cause to be prepared or furnished to the Underwriter an amendment or supplement to the Limited Offering Memorandum, pursuant to Section 5 hereof, which will amend or supplement the Limited Offering Memorandum so that, as amended or supplemented, the Limited Offering Memorandum will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in a material respect, or (b) the effect of the Limited Offering Memorandum as so supplemented is, in the reasonable opinion of the Underwriter, to materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices (or yields), of the Bonds by the Underwriter set forth in Schedule I, or

(iv) there shall be in force a general suspension of trading on The New York Stock Exchange, Inc., or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on The New York Stock Exchange, Inc., whether by virtue of a determination by that Exchange or by order of the SEC or any other governmental authority having jurisdiction, or any national securities exchange shall have imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or similar obligations, or

(v) a general banking moratorium shall have been declared by either federal, State or New York authorities having jurisdiction and be in force, or

(vi) any legislation, ordinance, rule or regulation shall be enacted by the City or State, or any department or agency thereof, or a decision by any court of competent jurisdiction within the State shall be rendered which is unrelated to the COVID-19 Pandemic or any efforts to mitigate its effects, and which in the reasonable opinion of the Underwriter, would have a material adverse effect on the market price or marketability of the Bonds, or

(vii) a war involving the United States, an outbreak or escalation of or adverse development in hostilities or terrorist activities or other national or international calamity or crisis other than the COVID-19 Pandemic shall have occurred which, in the reasonable opinion of the Underwriter, materially adversely affects the market price or marketability of the Bonds; or

(viii) there shall be any proceeding or threatened proceeding by the SEC against the City and such proceeding or threatened proceeding, in the reasonable opinion of the Underwriter, materially adversely affects the market price or marketability of the Bonds.

(B) If the City or the Underwriter shall be unable to satisfy the conditions contained in this Agreement or if the Underwriter's or the City's obligations shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the City nor the Underwriter shall have any further obligations hereunder with respect to the payment of the purchase price or the delivery of the Bonds.

11. Closing Conditions.

(A) The Underwriter's obligations to purchase, to accept delivery of and to pay for the Bonds at the Closing shall be conditioned upon the City's performance of its obligations under Sections 5, 6 and 8 hereof prior to the Closing and the Underwriter's receipt of the following documents:

(i) three copies of the Limited Offering Memorandum manually executed by the Chief Financial Officer;

(ii) the approving opinions, dated the date of the Closing, of Co-Bond Counsel to the City, substantially in the form attached to the Limited Offering Memorandum;

(iii) the supplemental opinions, dated the date of the Closing and addressed to the Underwriter and to the City, of Co-Bond Counsel, substantially in the form attached hereto as Exhibit C;

(iv) an opinion, dated the date of the Closing and addressed to the Underwriter by the Corporation Counsel of the City, substantially in the form attached hereto as Exhibit D;

(v) an opinion or opinions, dated the date of the Closing and addressed to the Underwriter on behalf of the Underwriter, of Neal & Leroy, LLC, Chicago, Illinois, as counsel for the Underwriter ("Underwriter's Counsel"), in form and substance satisfactory to the Underwriter;

(vi) an opinion or opinions, dated the date of the Closing and addressed to the Underwriter, of Burke Warren Mackay & Serritella, P.C., and Cotillas and Associates, Chicago, Illinois, Co-Disclosure Counsel to the City, substantially in the form attached hereto as Exhibit E;

(vii) a certificate, dated the date of the Closing, signed by the Chief Financial Officer, to the effect that (A) the representations and warranties of the City herein are correct in all material respects as of the date of the Closing, except as set forth in this Agreement and in the Limited Offering Memorandum; and (B) each of the Bond Ordinance and the Special Assessment Ordinance shall be in full force and effect, and shall not have been modified, amended or supplemented since the date of this Agreement, except as may have been agreed to by the Underwriter;

(viii) a certificate of the Trustee to the effect that the Trustee has full legal right, power and authority to act as the Trustee, Bond Registrar, and Paying Agent under the Bond Ordinance and the Trust Indenture and certifying as to the due execution and delivery



of the First Supplemental Trust Indenture by the Trustee and the due authentication and delivery of the Bonds;

(ix) an executed copy of the Original Trust Indenture, the First Supplemental Trust Indenture, the Servicing Agreement and the First Supplemental Servicing Agreement;

(x) a copy of an agreement between the City and DTC relating to the safekeeping and book-entry form of the Bonds;

(xi) a copy, duly certified by the City Clerk of the City, of the Bond Ordinance, as passed by the City Council and approved by the Mayor;

(xii) a bring-down certificate of the Developer's executed certificate attached hereto as Exhibit I-1 dated as of the date of the Closing as provided in Exhibit I;

(xiii) a bring-down certificate of the Servicer executed certificate attached hereto as Exhibit J-1 dated as of the date of the Closing as provided in Exhibit J;

(xiv) a Continuing Information Agreement by and among the City, the Servicer, the Developer, the Trustee and a dissemination agent, in substantially the form attached hereto as Exhibit K; and

(xv) such additional closing certificates and agreements related to the Bonds, including such tax certifications and agreements relating to the Bonds, as Co-Bond Counsel shall reasonably determine to be necessary to deliver their opinions as provided hereinabove.

(B) All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement will be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter, or the City, as applicable, in their respective reasonable judgment. Payment for the Bonds and acceptance of the Bonds by the Underwriter shall constitute acknowledgment by the Underwriter of the City's full performance hereunder and the satisfaction of all other conditions of Closing.

12. Expenses. The Underwriter shall be under no obligation to pay, and the City shall pay, any and all expenses incident to the performance of the City's obligations hereunder, including but not limited to: (a) the cost of the preparation and printing or other reproduction of the Bond Ordinance, the First Supplemental Trust Indenture, the Preliminary Limited Offering Memorandum and the final Limited Offering Memorandum, as well as the cost of shipping the Limited Offering Memorandum; (b) the cost of the preparation and printing of the Bonds; (c) the reasonable fees and disbursements of Co-Bond Counsel and Co-Disclosure Counsel; (d) the reasonable fees and disbursements of any experts or consultants retained by the City; and (e) the reasonable fees of the Trustee and DTC. The Underwriter will pay the expenses incurred by any of them in connection with their offering and distribution of the Bonds, including, but not limited to, the CUSIP Service Bureau charges, Blue Sky memorandum costs and filing fees, any amounts required to be paid to the MSRB, the fees and expenses of Underwriter's Counsel and advertising expenses directly incurred by the Underwriter.

13. Underwriter's and other's Certificates. The City's obligations to sell and deliver the Bonds to the Underwriter at the Closing shall be conditioned upon (i) the delivery by the Underwriter at the Closing of (a) a Representation Letter dated the date of the Closing, signed by the Underwriter in the form attached hereto as Exhibit F, (b) an Issue Price Certificate of the Underwriter, dated the date of the Closing, signed by the Underwriter, in form and substance satisfactory to the City and Co-Bond Counsel and substantially in the form attached hereto as Exhibit G; and (c) a Certificate of the Underwriter executed by the Underwriter in the form attached hereto as Exhibit H; (ii) the delivery of the Developer of the bring-down certificate referred to in Section 11(A)(xii); and (iii) the delivery by the Servicer of the bring-down certificate of the Servicer referred to in Section 11(A)(xiii);

14. Notices. Any notice or other communication to be given to the City under this Agreement shall be given by delivering the same in writing at the address set forth above with a copy to the following address:

City of Chicago Law Department  
121 North LaSalle Street, Suite 600  
Chicago, IL 60602  
Attn: Finance and Economic Development

Any such notice or other communication to be given to the Underwriter shall be given by delivering the same in writing to the Underwriter at the following address:

Loop Capital Markets LLC  
111 W. Jackson Blvd. Ste. 1901  
Chicago, IL 60604  
Attn: Jana M Wesley

15. No Third-Party Beneficiaries, Survival, Etc. This Agreement is made solely for the benefit of the City and the Underwriter (including the successors or assigns of any Underwriter), and no other person, partnership, association or corporation including the Developer, the Servicer any taxpayer or any purchaser of the Bonds shall acquire or have any right hereunder or by virtue hereof. Except as provided in Section 10(B), all of the representations and agreements by the City in this Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

16. Governing Law. The rights and obligations of the parties to this Agreement shall be governed by, construed and enforced in accordance with the laws of the State, without giving effect to the conflict of law's provisions thereof.

17. Representations and Warranties of the Underwriter.

(A) Limited Offering. The Underwriter represents that the Bonds have been or will only be sold to Investors who meet the requirements of and have executed and delivered to the Underwriter an Investor Letter in the form of Annex 1 prior to or contemporaneously with the purchase of the Bonds by such Investor, provided, however, that the procurement by the Underwriter of such Investor Letters as provided herein does not relieve the Underwriter from its

responsibility to sell the Bonds as contemplated in this Agreement in compliance with all applicable securities laws. The Underwriter agrees to make a limited offering of the Bonds to Investors at a price or prices (or yield or yields) not in excess of the offering price or prices (or not lower than the yield or yields) set forth on the cover page of the Limited Offering Memorandum.

(B) The Underwriter warrants and represents that it is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and that it is authorized to conduct business in the State.

(C) The Underwriter warrants and represents that this Agreement has been duly authorized, executed and delivered by the Underwriter and assuming due authorization, execution and delivery by the City, is the legal binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditor's rights generally and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution. The Underwriter represents, warrants and covenants that it is and will be in compliance with all applicable laws, rules and regulations in connection with the offering, issuance and sale of the Bonds.

(D) The Underwriter warrants and confirms to the City that: (i) it is duly registered under the 1934 Act, as a broker/dealer or municipal securities dealer and has duly paid the fee prescribed by MSRB Rule A-12 or is exempt from such requirements, (ii) it is (a) a member in good standing of the Financial Industry Regulatory Authority ("FINRA") or (b) otherwise eligible under FINRA rules to receive underwriting discounts and concessions available to such members with respect to Underwriter of municipal securities, and (iii) it has complied with the dealer registration requirements, if any, of the various jurisdictions in which it offers Bonds for sale. The Underwriter represents, warrants and covenants that it is and will be in compliance with all applicable laws, rules and regulations in connection with the offering, issuance and sale of the Bonds.

(E) To the knowledge of the Underwriter, no person holding office of the City, either by election or appointment, is in any manner financially interested, either directly in the officer's own name or indirectly in the name of any other person, association, trust or corporation, in any contract or agreement being entered into by the Underwriter or the performance of any work to be carried out by the Underwriter in connection with the issuance and sale of the Bonds upon which said officer may be called upon to act or vote.

(F) To the knowledge of the Underwriter, no person holding office of the City, either by election or appointment, is in any manner financially interested, either directly in the officer's own name or indirectly in the name of any other person, association, trust or corporation, in any contract or agreement being entered into by the Underwriter or the performance of any work to be carried out by the Underwriter in connection with the issuance and sale of the Bonds upon which said officer may be called upon to act or vote.

(G) The Underwriter represents to the City that neither the Underwriter, nor any Affiliate thereof is listed on any of the following lists maintained by the Office of Foreign Assets Control of the United States Department of the Treasury, the Bureau of Industry and Security of

the United States Department of Commerce, the United States Department of State 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, the List of Statutorily Debarred Parties and the Excluded Parties List. Such representation shall be provided to the City in the form included in Exhibit F, attached hereto.

*For purposes of this representation, "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.*

18. Approval. The approval of the Underwriter when required hereunder or the determination of its satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to the City.

19. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties and their successors and assigns, and will not confer any rights upon any other person. The terms "successors" and "assigns" shall not include any purchaser of any Bond or Bonds from the Underwriter, or from any third party with whom the Underwriter enters into a distribution agreement to sell the Bonds, merely because of such purchase.

20. Enforceability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions, because it conflicts with any provisions of any constitution, statute, rule or public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

21. Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as the original and all of which shall constitute one and the same document.

22. Cooperation with City Inspector General. As acknowledged by the Underwriter's Representation Letter set forth as Exhibit F, the Underwriter understands and agrees that it is required to and will comply with the provisions of Chapter 2-56 of the Municipal Code of Chicago. Pursuant to Section 2-56-090 of the Municipal Code of Chicago, it shall be the duty of the Underwriter to cooperate with the inspector general in any investigation or hearing undertaken pursuant to Chapter 2-56. The Underwriter shall report, directly and without undue delay, to the City's inspector general any and all information concerning conduct by any person which such Underwriter knows to involve corrupt activity, pursuant to Section 2-156-018(b) of the Municipal Code of Chicago. As acknowledged by the Underwriter's Representation Letter, any Underwriter's knowing failure to report corrupt activity as required in subsection (b) of Section 2-

156-018 of the Municipal Code of Chicago, shall constitute an event of default under this Agreement. For purposes of subsection (b) of Section 2-156-018 of the Municipal Code of Chicago, "corrupt activity" shall mean any conduct set forth in subparagraph (a)(1), (2) or (3) of Section 1-23-020 of the Municipal Code of Chicago:

(1) bribery or attempted bribery, or its equivalent under any local, state, or federal law, of any public officer or employee of the City or of any sister agency; or

(2) theft, fraud, forgery, perjury, dishonesty or deceit, or attempted theft, fraud, forgery, perjury, dishonesty or deceit, or its equivalent under any local, state, or federal law, against the City or of any sister agency; or

(3) conspiring to engage in any of the acts set forth in items (1) or (2) of above.

The Underwriter agrees and covenants that no payment, gratuity or offer of employment shall be made in connection with this Agreement, by or on behalf of a subcontractor to the Underwriter or any higher-tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order related to this Agreement.

23. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the matters covered hereby and supersedes all prior agreements and understandings between the parties. This Agreement shall only be amended, supplemented or modified in a writing signed by both of the parties hereto.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement in connection with the City of Chicago Special Assessment Improvement Bonds, Refunding Series 20\_\_ (Lakeshore East Project) to be executed by the duly authorized Underwriter as of the date first above written.

Very truly yours,

**THE UNDERWRITER**

**LOOP CAPITAL MARKETS LLC**

By: \_\_\_\_\_

Accepted by the City:

**CITY OF CHICAGO**

By: \_\_\_\_\_  
Jennie Huang Bennett,  
Chief Financial Officer

Concurred:

By: \_\_\_\_\_  
Scott Waguespack, Chairman,  
Committee on Finance of the City Council

**SCHEDULE I**  
**TERMS OF BONDS**

1. Aggregate Principal Amount:
2. Date of Issuance:
3. Maturities, Principal Amounts, Interest Rates, Yields and CUSIP Numbers:

*Redemption.*

The Bonds are not subject to optional redemption prior to their maturity.

The Bonds are subject to mandatory redemption prior to maturity, as described below. The Bonds shall be redeemed only in principal amounts of \$\_\_\_\_\_ and integral multiples thereof ("Authorized Denominations"). The Bonds are not subject to optional redemption.

*Mandatory Redemption of Bonds.*

The Bonds maturing on January 1, \_\_\_\_\_ and January 1, \_\_\_\_\_ are subject to mandatory redemption prior to maturity at a Redemption Price on January equal to 100% of the principal amount being redeemed, plus accrued interest to the date of redemption, on the dates and in the amounts set forth below:

**Term Bonds maturing on December 1, \_\_\_\_\_**

Year (December 1)	Principal Amount
----------------------	---------------------

\_\_\_\_\_  
† Final maturity

**Term Bonds maturing on December 1, \_\_\_\_\_**

Year (December 1)	Principal Amount
----------------------	---------------------

\_\_\_\_\_  
‡ Final maturity

*Special Mandatory Redemption.*

The Bonds are also subject to mandatory redemption on any Interest Payment Date, by operation of the Prepayment Account of the Debt Service Fund, in part and by lot, at the Redemption Price equal to 100% of the principal amount thereof to be redeemed plus accrued interest to the redemption date.

In the event of the mandatory redemption of Bonds by operation of the Prepayment Account of the Debt Service Fund as described above, the principal amount so redeemed shall be credited pro-rata against the unsatisfied balance of future Sinking Fund Installments and final maturity amount of the Bonds.

*Selection of Bonds to be Redeemed.*

If less than all the Bonds shall be called for redemption under any provision of the Trust Indenture permitting partial redemption, (i) such redemption shall be by lot in such manner as the Trustee may determine among such Bonds, and (ii) subject to other applicable provisions of the Indenture, the portion of any Bond to be redeemed shall be in a principal amount equal to an Authorized Denomination.



ANNEX I

INVESTOR LETTER

[LETTERHEAD OF INVESTOR]

[Date]

City of Chicago  
Office of the City Comptroller  
121 North LaSalle Street, 7<sup>th</sup> Floor  
Chicago, Illinois 60602  
Attention: Chief Financial Officer

Bank of New York Mellon Trust  
Company, NA as Bond Trustee

Re: \$\_\_\_\_\_ Special Assessment Improvement Bonds, Refunding Series 20\_\_\_\_  
(Lakeshore East Project) (the “Bonds”)

Ladies & Gentlemen:

The undersigned, on behalf of \_\_\_\_\_ (the “Investor”), hereby  
represents and warrants to you as follows:

1. The Investor proposes to purchase the Bonds. The Investor understands that the Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the “1933 Act”), or the securities laws of any state, and will be sold to the Investor in reliance upon certain exemptions from registration and in reliance upon the representations and warranties of the Investor set forth herein. Capitalized terms used but not defined herein shall have the meanings given to them in the Trust Indenture dated as of December 1, 2002 between the City of Chicago and BNY Midwest Trust Company, as amended and supplemented by a First Supplemental Indenture dated as of \_\_\_\_\_ 1, 20\_\_ (together, the “Bond Indenture”) between the City Of Chicago (the “City”) and The Bank of New York Mellon Trust Company, N.A., as successor Trustee to BNY Midwest Trust Company as bond trustee (the “Bond Trustee”) and in the Continuing Information Agreement (as defined below).

2. The Investor, is a “Qualified Institutional Buyer” within the meaning of Section 144A of the 1933 Act, has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, and is capable of evaluating the merits and risks involved in an investment in the Bonds. The Investor is able to bear the economic risk of, and an entire loss of, an investment in the Bonds.

3. The Investor (i) has been furnished with a Preliminary Limited Offering Memorandum (“*PLOM*”) and a Limited Offering Memorandum (“*LOM*”) regarding the issuance

of the Bonds; (ii) has had the opportunity review the PLOM and the LOM and to obtain such information and materials as the Investor believes to be necessary to evaluate the merits and risks of its investment in the Bonds; and, (iii) has concluded on the basis of information available that it is able to bear the risks associated with such investment.

4. The Investor acknowledges and understands that an investment in the Bonds involves a high degree of risk regarding, among other things, the payment of current interest and the payment of principal on the Bonds.

5. The Investor has authority to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with the purchase of the Bonds.

6. The Investor understands and acknowledges that, notwithstanding the City's disclosure obligations under the continuing information agreement among the City the Servicer, the Developer, the Trustee and a Dissemination Agent dated as of \_\_\_\_\_, \_\_\_\_, 20\_\_ (the "*Continuing Information Agreement*") (i) the Bonds are not and do not represent a general obligation of the City and under no circumstances shall the Bonds and the interest thereon be or become an indebtedness or obligation of the City, within the purview of any constitutional or statutory limitation or provision, or a charge against the credit of, or a pledge of the taxing power of the City, (ii) the Bonds are limited obligations of the City and the payment of principal, premium, if any, and interest on the Bonds are payable solely out of the Trust Estate established under the Bond Indenture consisting of the Assessments and all interest and penalties derived therefrom, (iii) the Special Assessment Lien and (iii) all Funds and Accounts established under the Trust Indenture except (A) the Assessee's Credit Fund and (B) any Rebate Fund. The Investor understands that the Bonds are not payable from taxes or any other moneys provided by or to the City and (iii) no holder of any Bond or receiver or trustee in connection with the payment of the Bonds has the right to compel the exercise of any appropriation or taxing power of the City, the County of Cook, the State of Illinois or any political subdivision thereof for payment of the principal amount of, premium, if any, or interest on the Bonds.

7. The Investor acknowledges and understands that the Bonds: (i) have not been and will not be registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any jurisdiction, (ii) will not be listed on any stock or other securities exchange, (iii) will carry no rating from any rating service, and (iv) will not be readily marketable.

8. The Investor is purchasing the Bonds solely for its own account and not for any other account, for investment purposes and has no intention to resell or distribute all or any portion of, or interest in, the Bonds; provided that, subject to paragraph 9, below, the Investor reserves the right to transfer or dispose of the Bonds at any time, and from time to time, in its complete and sole discretion.

9. The Investor agrees that it will only offer, sell, pledge, transfer or exchange the Bonds (or any legal or beneficial interest therein) (i) in accordance with applicable federal and state securities laws; and (ii) to a person who the Investor reasonably believes is a Qualified Institutional Buyer or an Accredited Investor within the meaning of the Act.

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT A**

### **DEFINITIONS**

“Ancillary Documents” means the Bond Ordinance, the First Supplemental Trust Indenture, the Tax Agreement, the Limited Offering Memorandum, the First Supplemental Servicing Agreement, and all other agreements and certificates executed and delivered in connection with the issuance and sale of the Bonds.

“Authorized Officer” means the Mayor, Chief Financial Officer or City Comptroller and any other officer or employee of the City who is authorized to perform specific acts or duties by the Bond Ordinance.

“Business Day” means any day other than a Saturday, Sunday, legal holiday or a day on which banking institutions are required or authorized by law to be closed in the City of Chicago or the State of Illinois or a day on which the New York Stock Exchange is closed.

“COVID -19 Pandemic” means the global health care crisis caused by a strain of the novel coronavirus which in the face of the global spread of the virus was characterized as a pandemic by the World Health Organization on March 11, 2020 and the economic effects derived from it.

“Developer” means, Lakeshore East Development Group LLC.

“First Supplemental Servicing Agreement” means the First Supplemental Servicing Agreement dated as of \_\_\_\_\_, 20\_\_ among the City, the Trustee and the Bank of New York Mellon, as the Servicer.

“Special Assessment Ordinance” means that certain ordinance of the City, passed by the City on the 9<sup>th</sup> day of June, 2002, providing for the Improvement and Assessment, as supplemented by the supplemental ordinance of the City, passed by the City Council of the City on the 2<sup>nd</sup> day of October, 2002.

**EXHIBIT B**  
**PRELIMINARY LIMITED OFFERING MEMORANDUM**

**EXHIBIT C**

**SUPPLEMENTAL OPINIONS OF CO-BOND COUNSEL**

**EXHIBIT D**

**OPINION OF CORPORATION COUNSEL OF THE CITY**

**EXHIBIT E**  
**OPINION OF CO-DISCLOSURE COUNSEL**



## EXHIBIT F

### REPRESENTATION LETTER

City of Chicago  
Department of Finance  
121 North LaSalle Street, 7<sup>th</sup> Floor  
Chicago, Illinois 60602  
Attn: Chief Financial Officer

Loop Capital Markets LLC,  
as Underwriter  
named in the Bond Purchase Agreement,  
dated \_\_\_\_\_, 20\_\_, between such  
Underwriter and the City of Chicago

Pursuant to the Bond Purchase Agreement dated \_\_\_\_\_, 20\_\_ (the "Bond Purchase Agreement"), among the City of Chicago (the "City") and Loop Capital Markets LLC, as Underwriter (the "Underwriter") relating to the City's Special Assessment Improvement Bonds, Refunding Series 20\_\_ (Lakeshore East Project) (the "Bonds"), the Underwriter represents to the City that:

It is registered and in good standing under the Securities Exchange Act of 1934, as amended (the "1934 Act"), as a municipal securities dealer.

Neither the Underwriter nor any Affiliate of the Underwriter, 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, the U.S. Department of State 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, the List of Statutorily Debarred Parties and the Excluded Parties List.

*For purposes of this representation, "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.*

The undersigned Underwriter agrees that in the event that it or any of its Affiliates appears on any of the lists described in paragraph (2) above, at any time prior to the Closing (as defined in the Bond Purchase Agreement) with respect to the Bonds the Bond Purchase Agreement shall terminate without further obligation by the City

The Underwriter understands and agrees that it is required to and will comply with the provisions of Chapter 2-56 of the Municipal Code of Chicago. Pursuant to Section 2-56-090 of the Municipal Code of Chicago, it shall be the duty of the Underwriter to cooperate with the inspector general in any investigation or hearing undertaken pursuant to Chapter 2-56. The Underwriter shall report, directly and without undue delay, to the City's inspector general any and

all information concerning conduct by any person which such Underwriter knows to involve corrupt activity, pursuant to Section 2-156-018(b) of the Municipal Code of Chicago. The Underwriter's knowing failure to report corrupt activity as required in subsection (b) of Section 2-156-018 of the Municipal Code of Chicago, shall constitute an event of default under the Bond Purchase Agreement. For purposes of subsection (b) of Section 2-156-018 of the Municipal Code of Chicago, "corrupt activity" shall mean any conduct set forth in subparagraph (a)(1), (2) or (3) of Section 1-23-020 of the Municipal Code of Chicago:

- (i) bribery or attempted bribery, or its equivalent under any local, state, or federal law, of any public officer or employee of the City or of any sister agency; or
- (ii) theft, fraud, forgery, perjury, dishonesty or deceit, or attempted theft, fraud, forgery, perjury, dishonesty or deceit, or its equivalent under any local, state, or federal law, against the City or of any sister agency; or
- (iii) conspiring to engage in any of the acts set forth in items (i) or (ii) of above.

The Underwriter agrees and covenants that no payment, gratuity or offer of employment shall be made in connection with the Bond Purchase Agreement, by or on behalf of a subcontractor to the Underwriter or any higher-tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or order related to this Bond Purchase Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Representation Letter in connection with the Bonds to be executed by their duly authorized Underwriter as of the date written below.

\_\_\_\_\_, 20\_\_\_\_

LOOP CAPITAL MARKETS LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT G

### ISSUE PRICE CERTIFICATE OF THE UNDERWRITER

[Date of Closing]

The undersigned, Loop Capital Markets LLC (the “*Underwriter*”), hereby certifies as set forth below in connection with the issuance on the date hereof by the City of Chicago (the “*City*”) of its \$\_\_\_\_\_ Special Assessment Improvement Bonds, Refunding Series 20\_\_ (Lakeshore East Project) (the “*Bonds*”).

1. *Sale of the General Rule Maturities.* As of the Sale Date, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.
2. *Initial Offering Price of the Hold-the-Offering-Price Maturities.*
  - (a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Investors for purchase at the respective initial offering prices listed in Schedule A (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.
  - (b) As set forth in the Bond Purchase Agreement dated \_\_\_\_\_, 20\_\_ between the City and the Underwriter, the Underwriter agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*hold-the-offering-price rule*”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule and (iii) the City is an express third party beneficiary of the foregoing obligations. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.
3. *Defined Terms.* The terms used herein and including the schedules attached hereto shall, except as set forth below, have the meanings assigned to them in the Tax Agreement to which this Issue Price Certificate of the Underwriter is attached.
  - (a) “*General Rule Maturities*” means those Maturities of the Bonds other than the Hold-the-Offering-Price Maturities.
  - (b) “*Hold-the-Offering-Price Maturities*” means the Bonds maturing

- (c) “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, [\_\_\_\_], 20\_\_\_\_, or (ii) the date on which the Underwriter has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.
- (d) “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.
- (e) “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.
- (f) The term “related party” for purposes of this certificate means any two or more persons who are subject, directly or indirectly, to (i) at least 50 percent common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interest or profits interest of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).
- (g) “*Sale Date*” means [\_\_\_\_], 20\_\_\_\_, the first day on which there was a binding contract in writing for the sale of a Maturity of the Bonds.
- (h) “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public). A list of all persons that have been an Underwriter of the Bonds at any time from the Sale Date to the Issue Date is attached as Schedule C.

4. *Additional Information.*

- (a) We have been asked to calculate the arbitrage yield of the Bonds by determining the discount rate that, when used in computing the present value as of this date of all unconditionally payable payments of principal and interest produces an amount equal to the present value. using the same discount rate, of the aggregate Issue Price

of the Bonds, plus accrued interest, as of this date. Based solely on this calculation, the arbitrage yield of the Bonds is \_\_\_\_\_%.

- (b) We have been asked to calculate the weighted average maturity of the Bonds, and the remaining weighted average maturity of the City's Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project), (the "*Prior Bonds*"), to be refunded with proceeds of the Bonds, in the following manner: divide (a) the sum of the products determined by taking the issue price of each maturity times the number of years from the date hereof to the date of such maturity (treating the mandatory redemption of the Bonds as a maturity), by (b) the aggregate issue price of the Bonds, or the Prior Bonds, as appropriate. Based solely on these calculations, the weighted average maturity of the Bonds, is [ ] years, and the remaining weighted average maturity of the Prior Bonds is [ ] years, respectively.
- (c) The CUSIP number for the final maturity of the Bonds is: \_\_\_\_\_.

The representations set forth in this Issue Price Certificate of the Underwriter are limited to factual matters only. Nothing in this Certificate of the Underwriter represents the Underwriter's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied on by the City with respect to certain of the representations set forth in the Tax Agreement to which this Issue Price Certificate of the Underwriter is attached and with respect to compliance with the federal income tax rules affecting the Bonds, and by Foley and Lardner LLP., Chicago, Illinois, and Charity and Associates, P.C., Chicago, Illinois, Co-Bond Counsel in connection with rendering their opinions that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the City from time to time relating to the Bonds.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned, on behalf of the Underwriter, has set his or her hand as of the date first written above.

LOOP CAPITAL MARKETS LLC,  
as Underwriter

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

EXHIBIT H

CITY OF CHICAGO

\$ \_\_\_\_\_

Special Assessment Improvement Bonds, Refunding Series 20\_\_\_\_  
(Lakeshore East Project) (the "*Bonds*")

CERTIFICATE OF UNDERWRITER

This certificate is being provided pursuant to Section 13 of the Bond Purchase Agreement, dated \_\_\_\_\_, 20\_\_ (the "*Bond Purchase Agreement*"), relating to the City of Chicago's \$ \_\_\_\_\_ aggregate principal amount of Special Assessment Improvement Bonds, Refunding Series 20\_\_\_\_ (Lakeshore East Project) (the "*Bonds*") by and between the City of Chicago (the "*City*") and Loop Capital Markets LLC., as Underwriter (the "*Underwriter*"), under the Bond Purchase Agreement. Terms used in this Certificate of Underwriter that are defined in the Bond Purchase Agreement have the meanings ascribed to them in the Bond Purchase Agreement.

The undersigned as a duly authorized and acting officer of the Underwriter, hereby certifies that:

1. The Underwriter has full right, power and authority to enter into, execute and deliver the Bond Purchase Agreement and to perform each and all of the matters and things provided for therein.

2. The Bond Purchase Agreement has been duly executed and delivered by an authorized officer of the Underwriter and is the legal, valid and binding obligation of the Underwriter, enforceable against the Underwriter in accordance with its respective terms, except as limited by (i) bankruptcy, insolvency, readjustment of debt, liquidation, reorganization, moratorium and other laws relating to, or affecting generally, the enforcement of creditors' rights and remedies; (ii) the availability against the Underwriter of equitable remedies, including specific performance and injunctive relief and (iii) applicable securities laws with respect to the enforceability of rights to indemnification and contribution.

3. The representations and warranties of the Underwriter contained in the Bond Purchase Agreement are true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof.

4. There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any public board or body pending or, to the best of the knowledge of the undersigned, threatened, against or affecting the Underwriter that (i) affects, directly or indirectly, the validity of the Bond Purchase Agreement or restrains, enjoins or in any manner affects the execution and delivery thereof; (ii) affects the provisions made for the Underwriter to act as Underwriter of the Bonds under the Bond Purchase Agreement; (iii) affects, in any way, the right or the authority of the Underwriter to carry out the terms or provisions of the Bond Purchase Agreement and the covenants and agreements therein; (iv) affects the respective corporate existence of each Underwriter; or (v) adversely affects the transactions described in the Bond Purchase Agreement.



5. The information relating to the Underwriter and the responsibilities of the Underwriter contained under the caption "UNDERWRITING" and under the caption "LIMITED OFFERING" or otherwise indicated as being sourced to or provided by the Underwriter in the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 20\_\_ and in the Limited Offering Memorandum dated \_\_\_\_\_, 20\_\_, of the City is true, correct and accurate.

6. No approval, consent or authorization of any governmental agency or authority is required to be obtained by the Underwriter or any Underwriter in connection with the Underwriter's execution and delivery of the Bond Purchase Agreement and the performance of the duties thereunder by the Underwriter, except for such other approvals that will be obtained as required or, if not obtained, could not result in a material adverse effect on the ability of the Underwriter to perform their obligations under the Bond Purchase Agreement.

7. The funding of the Debt Service Reserve Requirement and General Reserve Fund Requirement (both as defined in the First Supplemental Indenture) for the Bonds was a vital factor in marketing the Bonds and reduced the overall cost of the Bonds (on a net present value basis) to the City.

8. The undersigned hereby certifies that it filed a copy of the Limited Offering Memorandum of the City dated \_\_\_\_\_, 20\_\_ with respect to the Bonds with the Electronic Municipal Market Access System of the Municipal Securities Rulemaking Board on or prior to the date hereof.

9. The Underwriter has received all instruments and documents in form and substance satisfactory to the Underwriter that are required to be delivered pursuant to the Bond Purchase Agreement on the date hereof and all conditions to the delivery and payment for the Bonds pursuant to the Bond Purchase Agreement have been satisfied.

[Signature Page Follows]

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

LOOP CAPITAL MARKETS LLC, as  
Underwriter

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT I

### DEVELOPER'S CERTIFICATE

§ \_\_\_\_\_

#### CITY OF CHICAGO

#### Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)

#### CERTIFICATE OF THE DEVELOPER

This Certificate of the Developer (the "*Certificate*") is being delivered to the City of Chicago (the "*City*") and Loop Capital Markets as the underwriter in connection with the issuance of the City's \$ \_\_\_\_\_ principal amount of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "*Series 2021 Bonds*"). Any capitalized terms not defined herein shall have the meanings ascribed to them in the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2021 (the "*Series 2021 Bonds Preliminary Limited Offering Memorandum*") with respect to the Series 2021 Bonds. It is anticipated that as of the Bond Sale Date (as defined below) the City will issue a Limited Offering Memorandum in connection with the sale and issuance of the Series 2021 Bonds (the "*Series 2021 Bonds Limited Offering Memorandum*"). The undersigned, on behalf of Lakeshore East Development Group LLC (the "*Developer*") hereby represents, warrants and certifies as follows:

1. *Authorization of Certificate, Developer Disclosure and Developer Information.* This Certificate has been duly authorized, executed and delivered by the Developer. All necessary actions to be taken to authorize (i) approval to provide the Developer Disclosure and Developer Information (each as defined herein); and (ii) the execution and delivery of this Certificate, have been taken.

2. *The Developer Agreements.* All of the obligations of the Developer arising under those certain Developer Agreements, as amended, have been satisfied.

3. *No Material Change.* Other than as disclosed in the Series 2021 Bonds Preliminary Limited Offering Memorandum, the Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business, regarding its financial position, prospects or results of operations of the Developer or of its managing members, which would affect the Developer's ability to perform its obligations under the Continuing Information Agreement.

4. *The Lakeshore East Project.* Other than as disclosed in the Series 2021 Bonds Preliminary Limited Offering Memorandum, as of the date herein the Bond Financed Public Improvements and the Lakeshore East Project have been constructed materially as is described in the Series 2002 Bonds Limited Offering Memorandum (the "*Series 2002 Limited Offering Memorandum*") relating to the or the City's Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) (the "*Series 2002 Bonds*").

5. *Non-contravention.* The execution and delivery by the Developer of the Certificate and the performance of its obligations under the Certificate do not and will not contravene, or constitute a default under any provisions of (i) bylaws or organizational

documents of the Developer or (ii) of any agreement, judgment injunction order, decree or other instrument binding upon the Developer, and will not result in the creation of any lien or other encumbrance upon the asset of the Developer except as set forth in the Series 2021 Bonds Preliminary Limited Offering Memorandum.

6. Governmental or Corporate Consents. No consent or approval is required to be obtained from, and no action need be taken by any corporate entity, or to the Developer's knowledge, no consent or approval is required to be obtained from, and no action need be taken by, or document filed with any governmental body, in connection with the execution, delivery or performance by the Developer of this Certificate or if any such action is required, the same has been duly taken, is in full force and effect and constitutes valid and sufficient consent or approval therefore.

8. No Litigation. Except as described in the Series 2021 Bonds Preliminary Limited Offering Memorandum, there is no action, suit, proceeding or investigation at law or in equity, before or by any court or any governmental agency or public board or body, pending against the Developer in which the Developer is a party or to the knowledge of the Developer, threatened against the Developer (i) contesting or in any way relating to (a) the Public Improvements, (b) the collection for the Assessment (as defined in the Series 2021 Bonds Limited Offering Memorandum), or (ii) which in any way contests the existence or the power of the Developer which if adversely determined could have a material adverse effect on the Developer or the Lakeshore East Project.

9. Series 2021 Bonds Preliminary Limited Offering Memorandum. The information contained in the Series 2021 Bonds Preliminary Limited Offering Memorandum, under the sections "LAKESHORE EAST PROJECT"- "General", "LAKESHORE EAST PROJECT-Parcel Summary and Value to Lien" (but only the first eight columns), "LAKESHORE EAST PROJECT Parcel Construction and Ownership" and "LAKESHORE EAST PROJECT-Environmental Update on Lakeshore East Project Site" and any other information attributed to the Developer as a source in the Preliminary Limited Offering Memorandum, (collectively the "Developer Disclosure"), (i) is true and correct in all material respects as of the date hereof; and (ii) as of the date hereof does not contain any untrue statements of material fact or omit to state a material fact necessary to be stated therein in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If on or prior to the Closing Date (as defined below) or within twenty-five (25) days after the "end of the underwriting period" (as defined in that certain Bond Purchase Agreement to be entered into [dated \_\_ \_\_, 20\_\_] between the City and the Underwriter (the "Bond Purchase Agreement") any event known to the Developer relating to or affecting the Developer Disclosure shall occur which would cause any statement of a material fact contained in the Limited Offering Memorandum to be materially incorrect or materially incomplete, the Developer will promptly notify the City and the Underwriter in writing of the circumstances and details of such event.

10. No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice or both, would constitute a default or an event of default on the part of the Developer under the Developer Agreements, as amended.

11. Approvals. The Developer has received and is in good standing with respect to all

certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and continue to conduct its business as heretofore conducted by it.

12. Continuing Developer Information. The Developer agrees to provide to the Dissemination Agent and the Trustee the reports and information described in the Continuing Information Agreement. The Developer acknowledges and agrees that the City has no responsibility to any party to provide such Developer information nor assumes any liability for any error or omission contained therein.

13. Other Agreements, Representations and Warranties of the Developer.

a. The Developer is a limited liability company organized and in good standing under the laws of the State of Illinois as evidenced by the Certificate of Good Standing attached hereto as Exhibit A.

b. The Developer agrees that it will not bring any suit, action or proceeding which challenges the collection of the Assessment, the validity of the Series 2021 Bonds, or any proceedings relating to the Series 2021 Bonds.

c. The Developer agrees that the representations and warranties of the Developer are independent of the representations and warranties of the City and that the City shall not be liable for any claims arising from a breach of or error contained in the Developer's representations and warranties.

d. No person holding an office of the City, either by election or appointment, is in any manner interested, either directly or indirectly, in any contract being entered into or the performance of any work to be carried out in connection with the issuance and sale of the Series 2021 Bonds and upon which such officer may be called upon to act or vote.

e. Developer agrees to re-certify as to the continued accuracy and completeness of this Certificate as of the date of execution of the Bond Purchase Agreement (the "Bond Sale Date") and as of the date of issuance of the Series 2021 Bonds (the "Closing Date") by means of Bring Down Certificates dated as of said Bond Sale Date and Closing Date, executed by the Developer substantially in the form of this Certificate to the effect that, each representation and warranty made or covenant agreed to by the Developer herein is true and correct on and as of the date of the Bond Purchase Agreement and as of the Closing Date with the same effect as though each such representation, warranty or covenant had been made or given on and as of such dates and that the Developer has performed and complied with all the terms, covenants and conditions set forth herein which are to be performed or complied with by the Developer before or as of the date of the Bond Purchase Agreement and before or as of the Closing Date, provided that any reference to the Series 2021 Bonds Preliminary Limited Offering Memorandum herein shall be substituted by referring to the final Limited Offering Memorandum issued by the City with respect to the Series 2021 Bonds in the bring-down certificates.

[Signature Page Follows]

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

LAKESHORE EAST DEVELOPMENT  
GROUP LLC , as Developer

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT J

### CERTIFICATE OF THE SERVICER PROVIDED IN CONNECTION WITH THE PRELIMINARY OFFERING MEMORANDUM

Capitalized terms not defined herein have the meaning ascribed to them in the Preliminary Limited Offering Memorandum of the City relating to the issuance of the Bonds, dated \_\_\_\_\_, 2021 (the "*Preliminary Offering Memorandum*"). The Bank of New York Mellon, as successor to BNY Asset Solutions LLC (the "*Servicer*"), in connection with the issuance and sale by the City of Chicago (the "*City*") of \$\_\_\_\_\_ aggregate principal amount of the City's Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "*Bonds*"), does hereby certify as follows:

The representations and warranties of the Servicer set forth and referred to in the Servicing Agreement, dated as of December 1, 2002, as amended by the First Supplemental Servicing Agreement dated as of \_\_\_\_\_, 2021 among the Servicer, BNY Mellon Trust Company, as trustee, and the City (the "*Servicing Agreement*") are true and correct as of the date of this Certificate. The Servicer has complied with and is not in default with all the terms of the Servicing Agreement to be complied with by it prior to or concurrently with the date of the Preliminary Offering Memorandum. It is anticipated that as of the date of the Bond Purchase Agreement (as defined below) the City will issue a Limited Offering Memorandum in connection with the sale and issuance of the Bonds (the "*Limited Offering Memorandum*").

We have reviewed and further certify that the information contained in the Preliminary Limited Offering Memorandum under the captions "LAKESHORE EAST PROJECT – Lakeshore East Project – Parcel Summary and Value to Lien," "SPECIAL ASSESSMENT ROLL," "SPECIAL ASSESSMENT LEVY AND COLLECTIONS," "DEBT SERVICE COVERAGE," but only that information under the column titled "Total Assessment with Interest," "THE SERVICING AGREEMENT," and in APPENDIX B – SERVICING AGREEMENT and any other information designated in the Preliminary Offering Memorandum as sourced to or provided by the Servicer (collectively the "*Servicer's Disclosure*") does not include any untrue statement of a material fact or omit any statement of a material fact that should be stated therein for the purpose for which it is used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. If on or prior to the Closing Date (as defined below) or within twenty-five (25) days after the "end of the underwriting period" (as defined in that certain Bond Purchase Agreement for the Bonds to be entered into [dated \_\_ \_\_, 20\_\_] between the City and the Underwriter (the "Bond Purchase Agreement") any event known to the Servicer relating to or affecting the Servicer's Disclosure shall occur which would cause any statement of a material fact contained in the Limited Offering Memorandum to be materially incorrect or materially incomplete, the Developer will promptly notify the City and the Underwriter in writing of the circumstances and details of such event.

The Servicer agrees to re-certify as to the continued accuracy and completeness of this Certificate as of the date of the Bond Purchase Agreement and to further recertify as of the closing date for the sale of the Bonds (the "Closing Date") by means of Bring-Down Certificates dated as of the date of the Bond Purchase Agreement and as of the Closing Date, executed by

the Servicer substantially in the form of this Certificate to the effect that, each representation and warranty made or covenant agreed to by the Servicer herein is true and correct on and as of the date of the Bond Purchase Agreement and as of the Closing Date with the same effect as though each such representation, warranty or covenant had been made or given on and as of such dates and that the Servicer has performed and complied with all the terms, covenants and conditions set forth herein which are to be performed or complied with by the Servicer before or as of the date of the Bond Purchase Agreement and before or as of the Closing Date provided that any reference to the Preliminary Limited Offering Memorandum herein shall be substituted by referring to the final Limited Offering Memorandum issued by the City with respect to the Bonds.

[Signature Page Follows]



IN WITNESS WHEREOF, the authorized undersigned has executed this Certificate on behalf of the Servicer.

THE BANK OF NEW YORK MELLON, as  
Servicer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBITS I-1 AND J-1**

**BRING-DOWN CERTIFICATES OF THE DEVELOPER AND SERVICER**

## EXHIBIT K

### CONTINUING INFORMATION AGREEMENT

#### CONTINUING INFORMATION AGREEMENT

THIS CONTINUING INFORMATION AGREEMENT (this "*Agreement*") is dated as of \_\_\_\_\_, 2021, by and between THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., Chicago, Illinois, as Trustee (the "*Trustee*"), THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. as Dissemination Agent (the "*Dissemination Agent*"), THE BANK OF NEW YORK MELLON, as Servicer (the "*Servicer*"), Lakeshore East Development Group LLC, a limited liability company of the State of Illinois (the "*Developer*") and the CITY OF CHICAGO (the "*City*", each a "*Party*" and collectively, the "*Parties*"), in connection with the issuance of the City's \$ \_\_\_\_\_ aggregate principal amount of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "*Bonds*"). The Bonds are issued pursuant to the Trust Indenture dated as of December 1, 2002, as supplemented and amended by that certain First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2021 (collectively, the "*Trust Indenture*") between the City and the Trustee, and a bond ordinance adopted by the City Council of the City on September \_\_, 2021 (the "*Bond Ordinance*").

The Bonds are payable from Special Assessments and payable solely and only from the assessments and amounts on deposit in certain funds established and maintained pursuant to the Trust Indenture and as further set forth in the Trust Indenture. The Bonds are issued pursuant to the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460 and pursuant to the Bond Ordinance and the Trust Indenture. The Bonds are issued in minimum authorized denominations of \$100,000 to a limited number (35 or less) of Qualified Institutional Buyers as defined in Rule 144A of the Securities Act of 1933, and as such are exempt from the continuing disclosure requirements of Section (b)(5) of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "*Rule*"). Notwithstanding the foregoing, the Parties are entering into this Agreement on a voluntary basis at the request of Loop Capital Markets LLC, the underwriter for the Bonds (the "*Underwriter*") for purposes of marketing the Bonds. This Agreement and any failure to provide any information pursuant to this Agreement shall not subject any of such Parties to the Rule nor shall it constitute a default under any of the Trust Indenture, the Bond Ordinance, the Bonds, or any other agreement relating to the Bonds.

1. **Purpose of this Agreement.** This Agreement is being executed and delivered by each Party at the request of the Underwriter.

2. **Definitions.** Capitalized terms used but not defined herein have the meaning ascribed to them in that certain Limited Offering Memorandum dated as of \_\_\_\_\_, 20\_\_\_\_ relating to the Bonds (the "*LOM*"). In addition, the following terms shall have the meaning set forth below:

"*Annual Financial Information*" means the financial information and operating data described in **Exhibit I** attached hereto and incorporated herein.

"*Annual Financial Information Disclosure*" means the dissemination of disclosure concerning Annual Financial Information as set forth in Section 4 hereof.

“*Commission*” means the Securities and Exchange Commission.

“*Dissemination Agent*” means the Dissemination Agent hereunder or any other agent designated as such in writing by the City and which has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“*EMMA*” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Reportable Events Related to the Bonds*” means the occurrence of any of the Events with respect to the Bonds set forth in **Exhibit II** attached hereto and incorporated herein.

“*Reportable Events Disclosure*” means dissemination of a notice of a Reportable Event Related to the Bonds as set forth in Section 5 hereof.

“*Other Developer Information*” means the dissemination of disclosure concerning Annual Financial Information as set forth in **Exhibit V** attached hereto and incorporated herein.

“*Rule*” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*Servicer*” means The Bank of New York Mellon, as successor to BNY Asset Solutions LLC, pursuant to that certain Servicing Agreement dated as of December 1, 2002 by and among the City, the Servicer and the Trustee, as supplemented by the First Supplemental Servicing Agreement dated \_\_\_\_\_ 1, 2021.

3. **CUSIP Numbers.** The CUSIP Numbers of the Bonds are set forth in **Exhibit III** herein. All Parties will include the CUSIP Numbers in all disclosure materials described or referred to in Sections 4 and 5 of this Agreement.

4. **Disclosure Requirements of the Parties.** Subject to Section 7 of this Agreement, the City hereby agrees that it shall only be obligated to deliver to the Trustee any adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, upon notice to the City any notice from the Internal Revenue Service provided to the City in connection with the Tax-Exempt status of the Bonds (the “City Disclosure”) in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format.

Subject to Section 7 of this Agreement, the Servicer hereby agrees that it will provide to the Trustee the Servicer Annual Financial Information (in the form and by the dates set forth in Exhibit I herein) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports.

Subject to Section 7 of this Agreement, the Developer hereby covenants that it will provide to the Trustee the Developer Annual Financial Information (in the form and by the dates set forth in Exhibit I herein) and the Other Developer Information in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports.

Subject to Section 7 of this Agreement, the Trustee hereby agrees that it will provide to the Dissemination Agent the Annual Financial Information, the Other Developer Information (as defined herein), the Reportable Events Related to the Bonds, if not filed with EMMA by the Trustee directly, and the City Disclosure pursuant to this Section 7 promptly upon receipt from the respective Party (and if Annual Financial Information in the form and by the dates set forth in Exhibit I herein) for dissemination by the Dissemination Agent to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports.

Subject to Section 7 of this Agreement, the Dissemination Agent hereby covenants that it will disseminate the Annual Financial Information, the Other Developer Information, the Reportable Events Related to the Bonds and the City Disclosure provided to it (in the form and by the dates set forth in this Agreement) by each of the other Parties or by the Trustee to EMMA in such manner and format and accompanied by identifying information as is prescribe by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA, including financial statements and other externally prepared reports. Such notice shall in no event be filed later than ten (10) business days after the receipt by the Dissemination Agent of the Annual Financial Information, the Other Developer Information, the Reportable Events Related to the Bonds and the City Disclosure.

**5. Disclosure of Reportable Events Related to the Bonds.** Subject to Section 7 of this Agreement, the Trustee hereby agrees that it will, or will cause the Dissemination Agent to, disseminate in a timely manner (not in excess of ten (10) business days after the occurrence of the Reportable Event Related to the Bonds) Reportable Events Related to the Bonds to EMMA in such

manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. Whenever the Trustee obtains knowledge of the occurrence of a Reportable Event Related to the Bonds, whether because of notice from the Dissemination Agent, the other Parties or otherwise, the Trustee shall determine as soon as possible (but in no event in excess of ten (10) business days after the occurrence of the event giving rise to the Reportable Event Related to the Bonds) if such event is a "Reportable Event related to the Bonds" which is required to be disseminated to EMMA pursuant to this Agreement. If the Trustee determines that an event is a Reportable Event Related to the Bonds, the Trustee shall promptly notify the Dissemination Agent in writing and instruct the Dissemination Agent to report such Reportable Event, in which event the Dissemination Agent shall file a notice of such Reportable Event related to the Bonds to EMMA. Such notice shall in no event be filed later than ten (10) business days after the occurrence of the event giving rise to the Reportable Event Related to the Bonds.

MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents required to be filed with EMMA pursuant to this Agreement, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of defeasance of any Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Trust Indenture and the Bond Ordinance.

**6. Consequences of Failure to Provide Information.** In the event of a failure of any Party to this Agreement to comply with any provision of this Agreement, the beneficial owner of any Bond or any other non-breaching Party may seek mandamus or specific performance by court order, to cause the defaulting party to comply with its obligations under this Agreement. Any such action may be filed only in the Circuit Court of Cook County, Chicago, Illinois. A default under this Agreement by any Party shall not be deemed a default under the Trust Indenture or the Bond Ordinance, and the sole remedy under this Agreement in the event of any failure of any Party to comply with this Agreement shall be an action to compel performance.

**7. Termination of Agreement.** Except as provided in Exhibit I b. with respect to certain obligations of the Developer regarding its Semi-Annual Financial Information and Other Reportable Information of the Developer, this Agreement, and the obligations of the Parties hereunder, shall be terminated hereunder if the City shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Trust Indenture, the Bonds and the Bond Ordinance, including defeasance or payment of the Bonds in full. The Trustee shall notify the Dissemination Agent who shall give prompt notice to EMMA if this Section is applicable.

**8. Dissemination Agent.** The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The City has engaged the Dissemination Agent to act as Dissemination Agent with respect to the parties' obligations under this Agreement.

The Dissemination Agent, including its officers, directors, employees and agents, shall: (a) not be liable for any action taken or omitted with respect to this Agreement so long as it shall have acted in good faith and without gross negligence; (b) be entitled to compensation for its services

hereunder as provided in a separate written agreement with the City, which is made a part hereof, and for reimbursement of its out-of-pocket expenses including, but not by way of limitation, the fees and costs of attorneys or agents which it may find necessary to engage in performance of its duties hereunder, all to be paid by the City; (c) have only those duties as are specifically provided herein, which shall be deemed purely ministerial in nature, and shall under no circumstance be deemed a fiduciary any party to this Agreement. IN NO EVENT SHALL THE DISSEMINATION AGENT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY (i) DAMAGES OR EXPENSES ARISING OUT OF THE SERVICES PROVIDED HEREUNDER, OTHER THAN DAMAGES WHICH RESULT FROM THE DISSEMINATION AGENT'S FAILURE TO ACT IN ACCORDANCE WITH THE STANDARDS SET FORTH IN THIS AGREEMENT, OR (ii) SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, EVEN IF THE DISSEMINATION AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; (d) have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken by Dissemination Agent either in accordance with the advice of such counsel, or in accordance with any opinion of counsel addressed and delivered to the Dissemination Agent; and (e) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care. The Dissemination Agent shall not be liable under any circumstances for monetary damages to any person for any breach of this Agreement. The sole remedy for failure of the Dissemination Agent to perform hereunder is specific performance.

It is understood and agreed that any information that the Dissemination Agent may be instructed to file on EMMA shall be prepared and provided to it by the Servicer, the Developer, the Trustee or the City, as the case may be. The Dissemination Agent has undertaken no responsibility with respect to any reports, notices or disclosures provided to it under this Agreement, and has no liability to any person, including any holder of Bonds, with respect to any such reports, notices or disclosures. The fact that the Dissemination Agent or any affiliate thereof may have any fiduciary or banking relationship with any party to this Agreement shall not be construed to mean that the Dissemination Agent has actual knowledge of any event or condition except as may be provided by written notice to the Dissemination.

The Dissemination Agent may at any time resign by giving 30 days written notice of resignation to the other Parties. Upon receiving such notice of resignation, the City shall promptly appoint a successor or assume the duties of the Dissemination Agent hereunder. Any bank, corporation or association into which the Dissemination Agent may be merged or converted or with which it may be consolidated, or any bank, corporation or association resulting from any merger, conversion or consolidation to which the Dissemination Agent shall be a party, or any bank, corporation or association succeeding to all or substantially all of the corporate trust business of the Dissemination Agent shall be the successor of the Dissemination Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except on the part of any of the parties hereto where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

The Dissemination Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report,

notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Dissemination Agent may consult with counsel and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel.

9. **Beneficiaries.** This Agreement shall inure solely to the benefit of the Parties, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

10. **Recordkeeping.** The Dissemination Agent shall maintain records of all Annual Financial Information Disclosure, Other Developer Information, City Disclosure and Reportable Events Related to the Bonds, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

[Signature Page Follows]



CITY OF CHICAGO

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., Chicago, Illinois,  
as Trustee and as Dissemination Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

THE BANK OF NEW YORK MELLON,  
as Servicer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

LAKESHORE EAST DEVELOPMENT  
GROUP LLC, as Developer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT I**  
**ANNUAL FINANCIAL INFORMATION**

As used herein, “*Annual Financial Information*” means the financial information as set forth below.

**a.     Servicer Annual Financial Information:**

Financial information and operating data which means an update of the tables in the Limited Offering Memorandum contained under the captions “SPECIAL ASSESSMENT LEVY AND COLLECTIONS” which five year comparative data form shall be updated annually and completed by the Servicer and submitted to the Dissemination Agent on or before December 1 of each year.

**b.     Developer Semi-Annual Financial Information:**

Developer Semi-Annual Financial Information construction and parcel ownership updates with respect to those parcels listed in the form attached hereto as Exhibit IV and incorporated herein as shown in the drawing and Section “LAKESHORE EAST PROJECT – Parcel Construction and Ownership – Under Construction- and Undeveloped Parcels” of the LOM and updated information to the matters set forth in Exhibit V herein, completed by the Developer, will be submitted by the Developer to the Dissemination Agent not later than June 1 and December 1 of each year. Developer Semi-Annual Financial Information will be submitted to the Dissemination Agent until the City shall no longer have any legal liability for any obligation on or relating to repayment of the Bonds under the Trust Indenture, the Bonds and the Bond Ordinance, including defeasance or payment of the Bonds except as follows: (A) on each of the parcels C/D, I, J, K, and L shown in Exhibit IV until the receipt of the certificate of occupancy for each respective parcel; (B) regarding each of Parcel O and Lot 12 shown in Exhibit IV until the sale or receipt of certificate of occupancy of both parcels, or upon the receipt of certificate of occupancy for all of parcels C/D, I, J, K and L, whichever occurs first and (C) with respect to Developer’s Obligation to update the information shown in Exhibit V, for so long as Developer’s obligations to provide continuing disclosure has not ended pursuant to clauses (A) and (B) above. Each parcel described in (A) and (B) above is referred to as a “Semi-Annual Developer Disclosure Parcel” and collectively are referred to as the “Semi-Annual Developer Disclosure Parcels” in Exhibits IV and V.

**EXHIBIT II**  
**REPORTABLE EVENTS RELATED TO THE BONDS**

1. Principal and interest payment delinquencies.
2. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds, upon notice to the Trustee
3. Defeasances.
4. Release, substitution or sale of property securing repayment of the Bonds, if material.
5. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

**EXHIBIT III**  
**CUSIP NUMBERS**

**SPECIAL ASSESSMENT IMPROVEMENT BONDS, SERIES 2021**

<u>Year of</u> <u>Maturity</u>	<u>CUSIP</u>
2025	
2032	

**EXHIBIT IV**  
**FORM OF CONSTRUCTION AND PARCEL OWNERSHIP INFORMATION**

CONTINUING DEVELOPER INFORMATION  
City of Chicago  
Special Assessment Improvement Bonds  
(Lakeshore East Project)

	Parcel C/D	Parcel I	Parcel J	Parcel K	Parcel L
a) Estimated Completion Date					
b) Any bulk sale of Semi-Annual Developer Disclosure Parcels? <i>(if yes explain below)</i>	(yes/no)				
c) Any pending litigation that may affect ability to pay the Special Assessment? <i>(if yes explain below)</i>	(yes/no)				
d) Any material change to the ownership? <i>(if yes explain below)</i>	(yes/no)				
e) Any failure by an owner to pay general ad valorem property taxes or Special Assessments? <i>(if yes explain below)</i>	(yes/no)				
f) Any termination of credit or default under any financing related to a Semi-Annual Developer Disclosure Parcel? <i>(if yes explain below)</i>	(yes/no)				
g) Any occurrence of any event of bankruptcy with respect to the Developer or any owner of a Semi-Annual Developer Disclosure Parcel? <i>(if yes explain below)</i>	(yes/no)				
h) Any significant amendments to the land use entitlements of a Semi-Annual Developer Disclosure Parcel? <i>(if yes explain below)</i>	(yes/no)				
i) Any governmentally imposed conditions which would prevent or delay the development of any Semi-Annual Developer Disclosure Parcel? <i>(if yes explain below)</i>	(yes/no)				
j) Any other material changes of which the Developer has knowledge that would prevent or delay the development of any Semi-Annual Developer Disclosure Parcel? <i>(if yes explain below)</i>	(yes/no)				
Explanations					

Preparer

**EXHIBIT V**  
**OTHER DEVELOPER INFORMATION**

- a. The estimated completion date of each of the Semi-Annual Developer Disclosure Parcels<sup>1</sup> IV;
- b. Any bulk sale of any Semi-Annual Developer Disclosure Parcel (other than individual condominium units) to a non-related entity;
- c. Any pending litigation that may affect the ability to pay the Special Assessment in any Semi-Annual Developer Disclosure Parcel;
- d. Any material change to the ownership of any Semi-Annual Developer Disclosure Parcel;
- e. Any failure by an owner of a Semi-Annual Developer Disclosure Parcel to pay general ad valorem property taxes or Special Assessments;
- f. Any termination of credit or default under any financing related to a Semi-Annual Developer Disclosure Parcel;
- g. Any occurrence of any event of bankruptcy with respect to the Developer or any owner of a Semi-Annual Developer Disclosure Parcel;
- h. Any significant amendments to the land use entitlements of a Semi-Annual Developer Disclosure Parcel;
- i. Any governmentally imposed conditions which would prevent or delay the development of any Semi-Annual Developer Disclosure Parcel; and
- j. Any other material changes of which the Developer has knowledge that would prevent or delay the development of any Semi-Annual Developer Disclosure Parcel.

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<sup>1</sup> Parcels C/D, I, J, K, L, O and Lot 12



## Exhibit B

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion and amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. Within seven (7) business days following the sale of the Bonds herein described, the City will make available its final Limited Offering Memorandum dated as of the date of such sale, with respect to the Bonds.

## EXHIBIT B

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED \_\_\_\_\_, 2021  
NEW ISSUE— BOOK-ENTRY ONLY NOT RATED

In the opinion of Co-Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions and, assuming, among other matters, continuing compliance with certain covenants and requirements of the Internal Revenue Code of 1986, as amended (the "Code"), interest on the Bonds is excluded from gross income for Federal income tax purposes and is not an item of tax preference in computing federal alternative minimum taxable income. Interest on the Bonds is not exempt from present State of Illinois income taxes. Co-Bond Counsel express no opinion regarding any other tax consequences related to the ownership or disposition of or the accrual or receipt of interest on, the Bonds. See the heading "TAX EXEMPTION."



\$ \_\_\_\_\_ \*  
**CITY OF CHICAGO**  
**Special Assessment Improvement Bonds, Refunding Series 2021**  
**(Lakeshore East Project)**

**Dated: Date of Issuance**

**Due: December 1, as shown below**

This Limited Offering Memorandum is being furnished solely for consideration by prospective sophisticated purchasers of the above-captioned bonds (the "Bonds") with substantial financial resources and the experience and financial expertise to understand and evaluate the high degree of risk inherent in this investment. Purchase of the Bonds will constitute an investment secured solely by a pledge of special assessments and certain other amounts held in funds established pursuant to the Trust Indenture hereinafter referred to. The purchase of the Bonds is an investment subject to a high degree of risk, including the risk of non-payment of principal and interest. See "RISK FACTORS" herein.

The Bonds are issuable only as fully registered bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Individual purchases will be made in book-entry form only, in principal amounts of \$100,000 or integral multiples of \$1,000 in excess thereof. Beneficial Owners of the Bonds will not receive physical certificates representing their interest in the Bonds purchased. Principal of, premium, if any, and interest on the Bonds are payable by The Bank of New York Mellon Trust Company, N.A., as trustee, to DTC, which will remit such principal, premium, if any, and interest to DTC's Participants, who in turn will be responsible for remitting such payments to the Beneficial Owners of the Bonds, as described herein. Interest on the Bonds is payable on June 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 20\_\_\_\_ until maturity.

**The Bonds are subject to mandatory redemption prior to maturity as set forth herein. The Bonds are not subject to optional redemption prior to maturity.**

The Bonds are being issued pursuant to Section 6(1) of Article VII of the Illinois Constitution, the Municipal Code of Chicago, Division 2 of Article 9 of the Illinois Municipal Code, the Special Assessment Supplemental Bond and Procedures Act and the Local Government Debt Reform Act and the Ordinance as described herein and, in the opinion of Co-Bond Counsel, will constitute valid and legally binding limited obligations of the City of Chicago (the "City") payable solely and only from the assessments and amounts on deposit in certain funds established and maintained pursuant to the Trust Indenture, as set forth herein.

**THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY AND NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY, THE COUNTY OF COOK, THE STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS DO NOT 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 OR LIMITATION. NO HOLDER OF ANY BOND SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE CITY, THE COUNTY OF COOK, THE STATE OF ILLINOIS, OR ANY POLITICAL SUBDIVISION THEREOF FOR PAYMENT OF THE PRINCIPAL AMOUNT OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.**

### MATURITY SCHEDULE\*

\$ _____ %	Term Bonds Due December 1, 20__	Price: _____ %	to Yield: _____ %
\$ _____ %	Term Bonds Due December 1, 20__	Price: _____ %	to Yield: _____ %

The Bonds are offered when, as and if issued, subject to prior sale, withdrawal or modification of the offer without notice, and subject to the approving legal opinion of Foley & Lardner, LLP, Chicago, Illinois and Charity & Associates, P.C., Chicago, Illinois, Co-Bond Counsel, and certain other conditions. Burke, Warren, MacKay & Serritella, P.C., Chicago, Illinois, and Conllas & Associates, Chicago, Illinois, are acting as Co-Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriter by Neal & Leroy, LLC, Chicago, Illinois, and for the City by its Corporation Counsel. It is expected that the Bonds will be available for delivery through the facilities of DTC in New York, New York on or about \_\_\_\_\_, 2021.

**LOOP CAPITAL MARKETS**

\* Preliminary subject to change

**LIMITED OFFERING MEMORANDUM**

**THIS LIMITED OFFERING MEMORANDUM IS BEING FURNISHED BY THE CITY OF CHICAGO (THE "CITY") TO THIRTY-FIVE OR FEWER SOPHISTICATED INVESTORS OR REGISTERED INVESTMENT COMPANIES UNDER THE INVESTMENT COMPANY ACT OF 1940 SOLELY FOR THE PURPOSE OF EACH INVESTOR'S CONSIDERATION OF THE PURCHASE OF THE BONDS, AND IS NOT TO BE USED FOR ANY OTHER PURPOSE OR MADE AVAILABLE TO ANYONE NOT DIRECTLY CONCERNED WITH THE DECISION REGARDING SUCH PURCHASE.**

Each prospective purchaser is hereby offered the opportunity, prior to purchasing any Bonds, to ask questions of, and receive answers from, the Underwriter concerning the terms and conditions of the offering, and to obtain additional information to the extent the Underwriter possess the same or can acquire it without unreasonable effort or expense, provided, however, that no dealer, broker, salesman or other person has been authorized to give any information or to make any representation other than as contained in this Limited Offering Memorandum in connection with the offering described herein, and if given or made, such information or representation must not be relied upon as having been authorized. In accordance with, and as part of its responsibilities to investors under the Federal securities laws as applied to the facts and circumstances of this transaction, the Underwriter has reviewed the information in the Limited Offering Memorandum but does not guarantee the accuracy or completeness of such information. Neither the delivery of this Limited Offering Memorandum nor the sale of any of the Bonds shall imply that the information herein is correct as of any time subsequent to the date hereof. No information provided orally by the Underwriter or the City shall be relied upon or construed as a contract by any party.

This Limited Offering Memorandum should be considered in its entirety and no one factor should be considered more or less important than any other by reason of its position in this Limited Offering Memorandum. Where statutes, reports, agreements or other documents are referred to herein, reference should be made to such statutes, reports, agreements or other documents for more complete information regarding the rights and obligations of parties thereto, facts and opinions contained therein and the subject matter thereof.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE INDENTURE HAS NOT BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS LIMITED OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THE BONDS HAVE RISK CHARACTERISTICS WHICH REQUIRE CAREFUL ANALYSIS AND CONSIDERATION BEFORE A DECISION TO PURCHASE IS MADE. THE BONDS SHOULD BE PURCHASED BY INVESTORS WHO HAVE ADEQUATE EXPERIENCE TO EVALUATE THE MERITS AND RISKS OF THE BONDS. PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS LIMITED OFFERING MEMORANDUM OR ANY PRIOR OR SUBSEQUENT COMMUNICATION FROM THE UNDERWRITER, ITS AFFILIATES, OFFICERS AND EMPLOYEES OR ANY PROFESSIONAL ASSOCIATED WITH THIS OFFERING AS INVESTMENT OR LEGAL ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO FINANCIAL, LEGAL AND RELATED MATTERS CONCERNING THE INVESTMENT DESCRIBED HEREIN.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF SUCH BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN.

THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "believe," "expect," "estimate," "anticipate," "intend," "projected," "budget," "could," or similar words. Additionally, all statements in this Limited Offering Memorandum, including forward-looking statements, speak only as of the date they are made.

**CITY OF CHICAGO**

**MAYOR**

Lori E. Lightfoot

**CITY TREASURER**

Melissa Conyears-Ervin

**CHIEF FINANCIAL OFFICER**

Jennie Huang Bennett

**CITY CLERK**

Andrea M. Valencia

**CITY COUNCIL  
COMMITTEE ON FINANCE**

Scott Waguespack, Chairman

**CITY COMPTROLLER**

Reshma Soni

**BUDGET DIRECTOR**

Susie Park

**CORPORATION COUNSEL**

Celia Meza, Esq.

**CO-BOND COUNSEL**

Foley & Lardner, LLP  
Chicago, Illinois

Charity & Associates, P.C.

Chicago, Illinois

**CO-DISCLOSURE COUNSEL**

Burke, Warren, MacKay & Serritella, P.C.

Chicago, Illinois

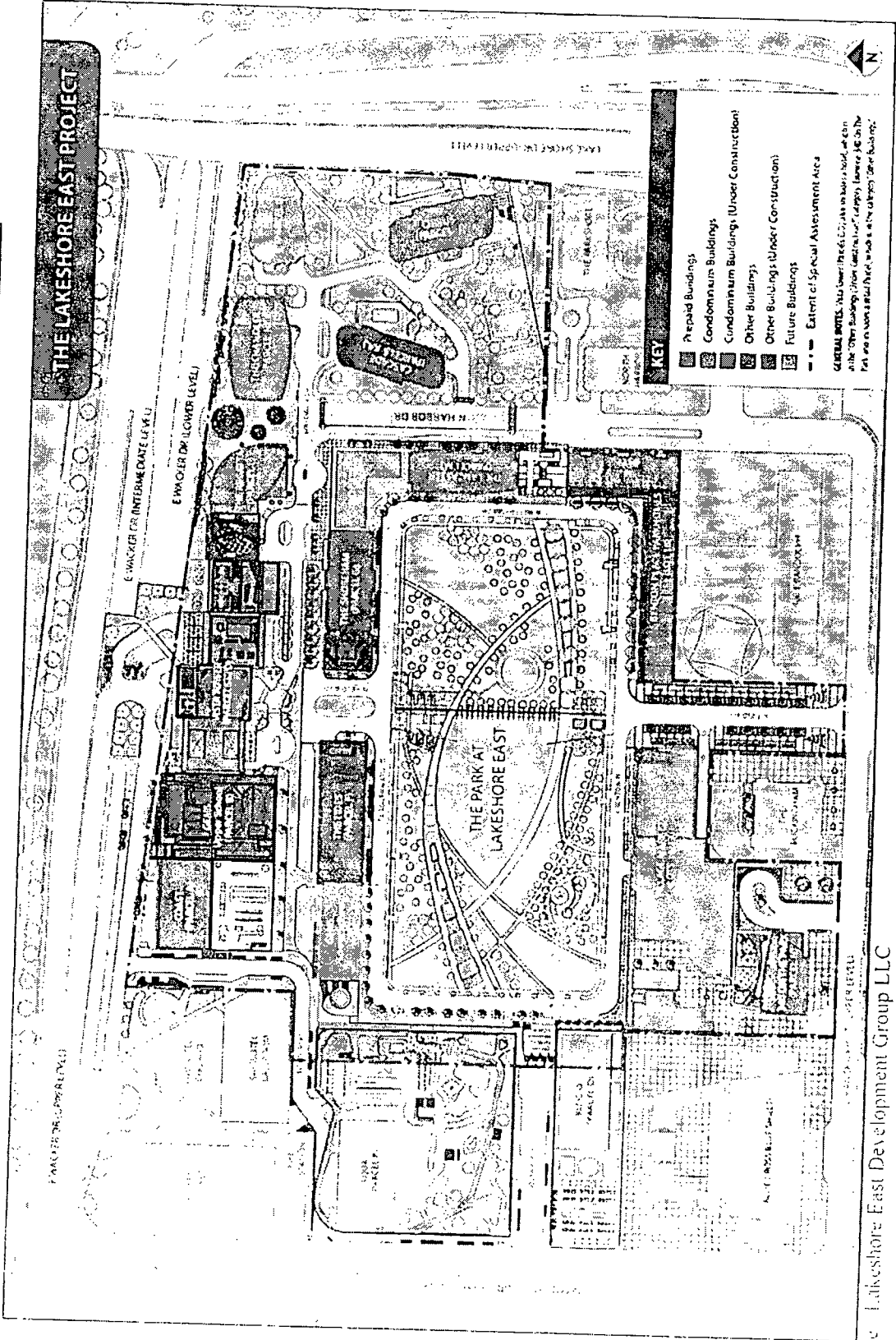
Cotillas & Associates

Chicago, Illinois

**FINANCIAL ADVISOR**

PFM Financial Advisors LLC

THE LAKESHORE EAST PROJECT



Source: Lakeshore East Development Group LLC

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\$ \_\_\_\_\_  
**CITY OF CHICAGO**  
**Special Assessment Improvement Bonds,**  
**Refunding Series 2021**  
**(Lakeshore East Project)**

**INTRODUCTORY STATEMENT**

This Limited Offering Memorandum, which includes the cover page and Appendices attached hereto, is provided to furnish information in connection with the issuance and sale by the City of Chicago (the "City") of \$ \_\_\_\_\_ \* aggregate principal amount of its Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "Bonds"). The Bonds will be issued by the City pursuant to (i) Section 6(1) of Article VII of the Illinois Constitution, Division 2 of Article 9 of the Illinois Municipal Code, 65 ILCS 5/9 as modified and supplemented by Section 075, Title 2 of Chapter 102 of the Municipal Code of Chicago, the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460 and the Local Government Debt Reform Act, 30 ILCS 350 (collectively, the "Authorizing Acts"), and (ii) an Ordinance adopted by the City Council of the City on \_\_\_\_\_, 2021 (the "Ordinance"). The Bonds will be issued as fully registered bonds without coupons in book-entry form only in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof.

The Bonds will be secured primarily by special assessments (the "Assessments") imposed on lots (each a "Lot" as such term is defined in the Trust Indenture or a "Parcel", as defined herein). The Lots collectively constitute, the "Lakeshore East Project Site" which benefit from the Bond Financed Public Improvements Project, as defined herein. The Assessments were approved by the Circuit Court of Cook County, Illinois, County Department, County Division (the "Court") following notice and proceeding as required by the Authorizing Acts. In addition, the Bonds will be payable from and secured by certain funds established pursuant to the Ordinance and the Trust Indenture dated as of December 1, 2002 (the "Original Indenture"), as amended and supplemented by the First Supplemental Trust Indenture dated as of \_\_\_\_\_, 2021 (the "First Supplemental Indenture" and together with the Original Indenture, collectively, the "Trust Indenture") each between the City and The Bank of New York Mellon Trust Company, N.A., as successor trustee to BNY Midwest Trust Company (the "Trustee"). See "THE BONDS." Capitalized terms used but not defined herein shall have the meaning given such terms in the Trust Indenture. See APPENDIX A – Trust Indenture.

The Bonds are being issued to (i) refund all of the City's Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) (the "Prior Bonds"); (ii) fund certain reserves for the Bonds and (iii) pay costs of issuance of the Bonds. See "REFUNDING PLAN."

The Prior Bonds were issued to finance a portion of the cost of acquisition and construction of certain public improvements by the City, consisting of: sanitary sewers, storm sewers, water mains, streets, curbs, gutters, sidewalks, street lights, park improvements, right-of-way improvements, road improvements, grading, excavation, landscaping and architectural and engineering services (collectively, the "Bond Financed Public Improvements Project"). The Bond Financed Public Improvements Project is for the benefit of the development of Lakeshore East (the "Lakeshore East Project"), as generally described in that certain Residential-Business Planned Development Ordinance No. 70, as amended ("PD70"), and the Master Plan and Design Standards for the Lakeshore East dated March 15, 2001 prepared by Skidmore Owings and Merrill, LLP (collectively, the "Master Plan").

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\* Preliminary, subject to change.

The Bond Financed Public Improvements Project constitutes the public infrastructure improvements required to be undertaken by Lakeshore East LLC, a limited liability company of the State of Illinois as the "Owner" and Lakeshore East Development Group LLC, a limited liability company of the State of Illinois, as the "Developer" and together with the Owner, the "Original Developer Entities". The Original Developer Entities constructed the Bond Financed Public Improvements Project pursuant to a Development Agreement, dated January 14, 2003, as amended (the "Development Agreement") and a Construction and Maintenance Agreement, dated January 14, 2003, as amended each by and between the City and the Original Developer Entities (the "Construction and Maintenance Agreement, and together with the Development Agreement, the "Developer Agreements"). See – LAKESHORE EAST PROJECT.

IN THE OPINION OF CO-BOND COUNSEL, THE BONDS WILL CONSTITUTE VALID AND LEGALLY BINDING LIMITED OBLIGATIONS OF THE CITY, PAYABLE SOLELY AND ONLY FROM THE ASSESSMENTS AND AMOUNTS ON DEPOSIT IN CERTAIN OF THE FUNDS AND ACCOUNTS ESTABLISHED AND MAINTAINED UNDER THE TRUST INDENTURE, AS SET FORTH HEREIN. THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY AND NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY, THE COUNTY OF COOK, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. NO HOLDER OF ANY BOND SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE CITY FOR PAYMENT OF THE PRINCIPAL AMOUNT OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS. THE BONDS DO NOT 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 OR LIMITATION.

## **THE BONDS**

### **General Description of the Bonds**

The Bonds will be issued in the aggregate principal amount of \$ \_\_\_\_\_\*, will bear interest at the rates and mature in the amounts and on the dates as set forth on the cover page of this Limited Offering Memorandum, subject to mandatory redemption as described herein. The Bonds will be issued only as fully registered bonds without coupons in book-entry form in authorized denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof.

The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. Principal of, premium, if any, and interest on the Bonds will be paid by the Trustee directly to DTC, which will remit such principal, premium, if any, and interest to DTC's Participants, who, in turn will be responsible for remitting such payments to the Beneficial Owners of the Bonds: See "THE BONDS — Book-Entry Only System."

Interest on the Bonds will be paid in lawful money of the United States of America semiannually on June 1 and December 1 of each year (each, an "Interest Payment Date"), commencing \_\_\_\_\_ 1, 20\_\_\_. Interest on the Bonds shall be calculated on the basis of a 360-day year composed of twelve 30-day months.

Each Bond shall be dated the date of delivery (the "Dated Date") and shall bear interest from the Interest Payment Date next preceding the date of registration and authentication thereof unless such Bond is registered as of an Interest Payment Date, in which event it shall bear interest from the date thereof, or unless such Bond is registered prior to the first Interest Payment Date, in which event it shall bear interest

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\* Preliminary, subject to change.

from the Dated Date, or unless, as shown by the records of the Trustee, interest on such Bond shall be in default, in which event it shall bear interest from the date to which interest has been paid in full.

## Redemption

*Optional Redemption.* The Bonds are not subject to optional redemption prior to maturity.

*Mandatory Redemption.* The Bonds maturing on December 1, 20\_\_ and December 1, 20\_\_ are subject to mandatory redemption in part and by lot, at the Redemption Price equal to the principal amount thereof to be redeemed, plus accrued interest to the date of redemption on December 1 of the years and in the Sinking Fund Installments as follows:

<u>Date</u>	<u>Amount</u>
December 1, 20__	\$
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__ (final maturity)	

<u>Date</u>	<u>Amount</u>
December 1, 20__	\$
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__	
December 1, 20__ (final maturity)	

*Special Mandatory Redemption.* The Bonds are also subject to mandatory redemption on any Interest Payment Date, by operation of the Prepayment Account of the Debt Service Fund, in part and by lot, at the Redemption Price equal to the principal amount thereof to be redeemed, plus accrued interest to the date of redemption.

In the event of the mandatory redemption of Bonds by operation of the Prepayment Account of the Debt Service Fund as described above, the principal amount so redeemed shall be credited pro-rata against the unsatisfied balance of future Sinking Fund Installments and final maturity amount of the Bonds.

*Selection of Bonds to Be Redeemed by Lot.* In the event of the redemption of less than all the Outstanding Bonds, the Trustee will assign to each such Outstanding Bond a distinctive number for each \$1,000 of the principal amount of such Bond and shall select by lot, using such method of selection as it shall deem proper in its discretion, from the numbers assigned to such Bonds as many numbers as, at \$1,000 for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed

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\*Preliminary. subject to change.

shall be the Bonds to which were assigned numbers so selected, but only so much of the principal amount of each such Bond of a denomination of more than \$1,000 shall be redeemed as shall equal \$1,000 for each number assigned to it and so selected.

*Notice of Redemption.* When redemption of Bonds is authorized or required pursuant to the Trust Indenture, the Trustee shall give notice, in the name of the City, of the redemption, which notice shall specify the Bonds to be redeemed, whether the redemption is conditioned upon the deposit of funds sufficient to effect the redemption, the redemption date, and the place where amounts due upon such redemption will be payable. Such notice shall further state that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable. Such notice shall be mailed by first class mail, postage prepaid, by the Trustee, not less than 30 days nor more than 60 days prior to the redemption date, to the Owners of any Bonds or portions of Bonds which are to be redeemed, at their last addresses, if any, appearing upon the registry books of the Bond Registrar; provided that if all Bonds are held in book-entry form such notice may be given in accordance with the representation letter of the Securities Depository. Failure to give notice of redemption by mail, or any defect in such notice, to the Owner of any Bond shall not affect the validity of the proceedings for the redemption of any other Bonds. Reference is further expressly made to any means of giving a notice of redemption as may be agreed upon between the City and the Securities Depository, which notice may be given in lieu of the mailed notice to Owners hereinabove specified.

*Payment of Redeemed Bonds.* Notice having been given in the manner provided above, the Bonds or portions thereof so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price and, upon presentation and surrender thereof at the office specified in such notice, such Bonds, or portions thereof, shall be paid at the Redemption Price. If there shall be drawn for redemption less than all of a Bond, the City shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the Owner thereof, for the unredeemed balance of the principal amount of the Bonds so surrendered, Bonds of like Series and maturity and interest rate in any of the Authorized Denominations. If, on the redemption date, moneys for the redemption of all the Bonds or portions thereof of any like Series and maturity, to be redeemed, together with interest to the redemption date, shall be held by the Trustee so as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds or portions thereof of such Series and maturity so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

### **Prepayment of Assessments**

Under the Authorizing Acts, all or any portion of the Assessments are subject to any prepayment at any time. The Servicer is obligated by the Servicing Agreement and the Trust Indenture to calculate the proper amount of prepayment for any Lot, as follows:

The amount of the prepayment of the Assessment with respect to any Lot shall be calculated as follows: (i) a ratio shall be determined which shall be the unpaid amounts in the Roll Component "Total Assessment" for such Lot (taking into account any interest and charges related to delinquencies in payment) divided by the total of all unpaid Total Assessments (the "Assessee's Quotient"); (ii) the Assessee's Quotient shall be multiplied by the principal amount of the Bonds outstanding, as provided by the Trustee; (iii) the Assessee's Quotient shall be multiplied by the amount on deposit in the Debt Service

Reserve Account; (iv) interest shall be calculated from the last Assessment payment date accruing at the rate of 6.75% per annum on the principal amount determined in clause (ii) of this paragraph, (v) the Prepayment amount shall be (ii) plus (iv) less (iii).

After determination of the proper amount for Prepayment, as specified above, the Servicer is obligated to provide such calculation and information to the Trustee, the Assessee and the City. There shall be a five (5) business day interim after receipt of such information from the Servicer for inquiry or correction by the City; and, thereupon, the Trustee is authorized to accept Prepayment with respect to such Lot and give receipt for same. The amount so received shall immediately be deposited by the Trustee in the Prepayment Account. At such time, the Servicer shall write the word "Paid" on the Roll opposite the Lot on which the Assessment (or portion thereof) is prepaid, together with the name and post office address of the person making the prepayment and the date of same, or otherwise note that the Assessment (or portion thereof) has been prepaid. Pursuant to the Authorizing Acts, when the amount of any Prepayment has been made in full, the City, with the cooperation of the Trustee, shall execute and deliver a release of the Special Assessment Lien to the property owner with direction to the property owner to effect recordation, in the Recorder's Office of Cook County, with respect to such Lot for which such Prepayment has been made.

#### **Additional Bonds**

Other than the Bonds, no obligations may be issued under the Trust Indenture other than obligations to refund part or all of the Bonds then Outstanding, but only if, as of the time immediately following the issuance of such refunding bonds, the Debt Service for each Bond Year on all Bonds then outstanding is no greater than the Debt Service in each year on all Bonds then outstanding as of the time immediately prior to the issuance of such refunding bonds.

#### **Book-Entry Only System**

The Depository Trust Company ("DTC") will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See APPENDIX D – Book-Entry Only System.

### **REFUNDING PLAN**

#### **General**

The City will use the proceeds of the Bonds, together with other available funds, to: (i) make a deposit to the Debt Service Reserve Account for the Bonds in the amount of the Debt Service Reserve Requirement equal to \$ \_\_\_\_\_; (ii) make a deposit to the Costs of Issuance Account; and (iii) together with amounts on hand under the Indenture transferred to the Series 2002 Defeasance Account, currently refund all of the outstanding Prior Bonds.

#### **Refunding of Prior Bonds**

The City has determined the refunding of the Prior Bonds to be in the public interest and in furtherance of the public purposes of the City. The table below sets forth the maturity dates, interest rates, principal amounts payable to refund the Prior Bonds and the redemption date for the Prior Bonds. The debt service on the Bonds will not exceed the debt service on the Prior Bonds in any Bond Year. In addition, the issuance of the Bonds shall not result in an increase in the Assessment amount nor in extending the term of the payments of the Assessments beyond the term under the Prior Bonds. Therefore, the Bonds may be

issued without the court proceedings under the Authorizing Acts. See APPENDIX C – Opinion of Co-Bond Counsel.

<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>	<u>Redemption Date</u>
December 1, 2022	6.625%	\$3,548,000	_____, 2021
December 1, 2032	6.750	31,390,000	_____, 2021

## SOURCES AND USES OF FUNDS

### Sources:

Bond Proceeds:  
Par Amount

### Other Sources of Funds:

Prior Bonds Debt Service Fund  
Prior Bonds Debt Service Reserve Fund  
Release Portion of General Reserve Fund

Total:

### Uses:

### Refunding Deposits:

Deposit to Defeasance Account

### Other Fund Deposits:

Debt Service Reserve Fund

### Cost of Issuance

2021 Cost of Issuance Account

Total:

## **LAKESHORE EAST PROJECT**

The information in this section has been provided by the Developer and the Servicer unless otherwise indicated, and has not been independently verified or relied upon by the City. The City makes no representation as to its accuracy or completeness.

### **General**

The Lakeshore East Project is a master-planned development comprising approximately 26 acres in the heart of downtown Chicago, Illinois. The Lakeshore East Project is located east of Michigan Avenue and south of the Chicago River. It is also within walking distance to many of Chicago's most prominent features and attractions, including The Loop (Chicago's central business district), Michigan Avenue's "Magnificent Mile", Navy Pier, Millennium Park, Maggie Daley Park and Grant Park. It is generally bounded by Wacker Drive, Lake Shore Drive, Randolph Street and Columbus Drive.

The Special Assessment Area (the "SAA") encompasses most of the Lakeshore East Project and currently consists of eighteen (18) buildable parcels (each a "Parcel" and collectively the "Parcels"). The Parcels are identified by a letter in the case of high-rise buildings, or by a reference to a Lot number for lower density structures. These Lot numbers are taken from the Lakeshore East Subdivision and are the basis for legal descriptions of the Parcels. The parcels surround a nearly six-acre park, which was deeded by the Original Developer Entities to the Chicago Park District in 2005, that acts as the front yard to the thousands of residents of the Lakeshore East Project.

The Master Plan was memorialized in an amended PD70 in 2002, and originally consisted of sixteen (16) high rise parcels and five (5) parkhome parcels with a maximum overall density of 9,700,000 of private developable floor area. It anticipated the construction of over 4,000 dwelling units, over 2,000 square feet of office space, over 2,000 hotel rooms plus up to 700,000 square feet of retail space, though there are mechanisms within the Ordinance allowing for a shift of density between uses. PD70 has been amended several times to reflect changes in the Master Plan configuration, as well as a shift of density to residential uses. It should be noted that two (2) of the originally planned high-rise parcels were excluded from the SAA: Lots 1 and 2.

### **Completion of Lakeshore East Project**

The "Parcel Construction and Ownership" section in this Limited Offering Memorandum provides more detailed information about the individual parcels within the Lakeshore East Project, including the status of any development. Barring unforeseen circumstances, the Developer anticipates that all development of the Lakeshore East Project will be completed within ten (10) years from the date of this Limited Offering Memorandum. The only exception would be the development of Lot 12, one of the smaller parcels within the Lakeshore East Project, as further described in "Parcel Construction and Ownership – Undeveloped Parcels", herein.

# Lakeshore East Project - Parcel Summary and Value to Lien

City of Chicago  
Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)

LAKESHORE EAST PROJECT - PARCEL SUMMARY AND VALUE TO LIEN										Information current as of XX/XX/XXXX			
PARCEL ID	BUILDING NAME	USES	STATUS	COMPLETION DATE	OWNERSHIP	RESID. UNITS	HOTEL ROOMS	REMAIN. ASSESSMENT	NEW BONDS	Assessor Est. Market Value	Value to Lien		
								AMOUNT	%				
<b>Prepaid Buildings</b>													
A	Coast	Rental Apts./Reta	Completed	2015	Not applicable	515	-	\$ -	0.00%	\$ -	na	na	na
F	The Trades	Rental Apts./Reta	Completed	2008	Not applicable	602	-	\$ -	0.00%	\$ -	na	na	na
G	The Shoreham	Rental Apts./Reta	Completed	2005	Not applicable	528	-	\$ -	0.00%	\$ -	na	na	na
Subtotal						1,671	-	\$ -	0.00%	\$ -			
<b>Condominium Buildings (Completed)</b>													
E	Regatta	Condominium	Completed	2006	Divided/Various	325	-	\$ 3,915,974	9.41%	\$ 17,673,420	66.70		
H	Chandler	Condominium	Completed	2007	Divided/Various	304	-	\$ 3,559,575	8.50%	\$ 17,428,380	75.86		
M	Lancaster	Condominium	Completed	2004	Divided/Various	209	-	\$ 2,271,563	5.45%	\$ 11,318,950	72.67		
N	340 On The Park	Condominium	Completed	2007	Divided/Various	344	-	\$ 5,063,179	12.16%	\$ 3,384,064	12.16%		
Lot 15	Aqua Parkhomes	Condominium	Completed	2009	Divided/Various	9	-	\$ 198,835	0.48%	\$ 132,856	0.48%		
Lot 18	Benton Place Parkhomes	Condominium	Completed	2009	Divided/Various	25	-	\$ 526,813	1.26%	\$ 352,056	1.26%		
Subtotal						1,216	-	\$ 15,519,709	37.25%	\$ 10,371,432	37.25%		
<b>Condominium Buildings (Under Construction)</b>													
C	Residences at St. Regis Chicago	Condominium	Under Construction	2020	Divided/Various	393	-	\$ 6,017,208	14.44%	\$ 4,021,148	14.44%		
Cirrus		Condominium	Under Construction	2021 (est.)	211 North Harbor Drive Owner LLC	354	-	\$ 4,324,360	10.33%	\$ 2,889,860	10.33%		
Subtotal						747	-	\$ 10,341,566	24.82%	\$ 6,911,008	24.82%		
<b>Other Buildings (Completed)</b>													
N	340 On The Park Retail	Retail	Completed	2007	340 East Randolph Retail LLC	-	-	\$ 138,095	0.33%	\$ 92,285	0.33%		
Lot 16/17 Village Market		Retail	Completed	2011	Lakeshore East Retail LLC	-	-	\$ 182,546	0.44%	\$ 131,991	0.44%		
Lot 22 GEMS Lower School		School	Completed	2014	GENCHILL LLC	-	-	\$ 281,747	0.63%	\$ 174,919	0.63%		
Subtotal						-	-	\$ 582,388	1.40%	\$ 389,195	1.40%		
<b>Other Buildings (Under Construction)</b>													
B	GEMS Upper School	School	Under Construction	2022 (est.)	GENCHILL LLC	-	-	\$ 2,536,098	6.09%	\$ 1,564,811	6.09%		
C/O St. Regis Chicago		Hotel	Under Construction	2022 (est.)	Parcel C LLC	192	-	\$ 2,148,360	5.15%	\$ 1,435,595	5.16%		
K/L Cascade		Rental Apts./Reta	Under Construction	2021 (est.)	449 East Waterside Drive Owner LLC	503	-	\$ 2,882,907	6.92%	\$ 1,926,574	6.92%		
Subtotal						503	-	\$ 7,567,365	18.16%	\$ 5,057,080	18.16%		
<b>Future Buildings</b>													
O	Condominium Tower	Condominium	Undeveloped	2025 (est.)	UJCL LLC	344	-	\$ 7,207,267	17.50%	\$ 4,316,436	17.50%		
Mixed-Use Tower		Apt./Hotel Reta	Undeveloped	2024 (est.)	Parcel C LLC	609	-	\$ 194,335	0.47%	\$ 129,869	0.47%		
Public Elementary School		School	Undeveloped	TBD	Lakeshore East LLC	-	-	\$ 246,874	0.59%	\$ 164,980	0.59%		
Subtotal						953	-	\$ 7,648,476	18.56%	\$ 5,111,285	18.56%		
<b>TOTAL (excluding Prepaid Buildings)</b>													
						3,419	432	\$ 41,659,504	100.00%	\$ 27,840,000	100.00%	\$ 988,148,194	35.49

Definitions of abbreviations used in this table: "resid" = residential; "retail" = remaining; "est." = estimated; "rental apts." and "apt." = rental apartments; "na" = not applicable; "ltd" = to be determined

- The City is comprised of the majority of the Lakeshore East Project. Generally, high-rise buildings and high-rise building parcels in the Lakeshore East Project are identified with letters. The Project is a legal subdivision, which has been divided into Lots. The Lot generally corresponds to the parcel letters, but not always. In some cases a building may span multiple Lots or occupy a portion of a Lot. Lower density structures, which do not have a letter designation, are instead identified by the Lot that they occupy.
- The completion dates for buildings under construction indicate the estimated date by which the building would achieve initial occupancy. The Residences at St. Regis Chicago achieved initial occupancy at the end of 2020, units have closed and people have moved in, but construction continues in the building.
- The ownership of condominium buildings is listed as "divided/varsious" to indicate the building has been legally divided pursuant to a Plat of Condominium. Thus the building has multiple or "various" owners of the condominium units, which are typically comprised of dwelling units and parking spaces. Further the bond obligations have also been legally divided and apportioned, with the exception of The Residences at St. Regis Chicago (Parcel C/D), for which the bond obligations have not yet been legally divided.
- Information subject to change.
- Assessor's Estimated Market Value is indicated on Cook County Assessor's website. Estimates are 2019 Board of Review Certified and/or the 2020 Assessor Valuation. These values do not necessarily reflect true market values.
- The Value to Lien is a ratio of the Assessor's Estimated Market Value divided by the amount of the "New Bonds".
- Parcels C & D have been combined into one mixed-use building (Vista Tower) containing both condominiums and a hotel. The bond obligations for the two parcels have been aggregated and then allocated. The allocation of bond obligations between the condominium and the hotel components of Vista Tower have been set by private agreement at 73.69% and 26.31% respectively. It is anticipated that the building will be legally divided and apportioned in the future.
- Parcels 11 & 18 & L have related ownership. Parcels K & L have been combined into one building (Cascade) containing rental apartments and retail space. The bond obligations for the four parcels have been aggregated and apportioned per private agreement amongst the three buildings parcels at 50.00% for Parcel L, 30.00% for Parcel K, and 20.00% for Cascade (Parcels K/L). It is anticipated that, concurrently with this refinancing, this allocation will be fixed. It is then anticipated that Cirrus and the condominium building to be constructed on Parcel I will be legally divided and further apportioned in the future.
- Parcels 12 & 13 are planned future locations of the public elementary school. It is currently privately owned and it is uncertain as to when the school would be constructed.
- Information in the first 8 columns are the footnotes provided by Lakeshore East Development Group LLC.



No assurance can be given that the foregoing ratios can or will be maintained during the period of time the Bonds are outstanding both because property values could drop and because other public entities, over which the City has no control, could issue additional indebtedness secured by a lien on a parity with the lien securing payment of the Bonds or payable through the levy or imposition of a tax on a parity with the Assessment. See "RISK FACTORS —Overlapping Indebtedness."

## **Parcel Construction and Ownership**

### Completed Construction

Coast, The Tides and The Shoreham (Parcels A, F and G) are three (3) completed rental apartment buildings with ground floor retail. The owners of these buildings have prepaid the special assessment associated with these parcels and thus they are no longer collateral for the Bonds. See "SPECIAL ASSESSMENT PROCEEDINGS" and "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS".

The Regatta, The Chandler, The Lancaster, 340 on the Park, Aqua Park Homes and Benton Place Parkhomes (Parcels E, H, M, N, portion of Lot 15 and Lot 18) are six (6) completed buildings with 1216 residential condominium units. The condominium units in these Parcels, which include dwelling units and parking spaces represent an estimated total of over 1,200 separate owners.

340 On The Park (Parcel N) the 344 unit condominium building, also contains an approximately 5,500 square foot retail development comprised of two retail spaces, located within the same building. It is owned by 340 East Randolph Retail LLC, a joint venture between an affiliate of Magellan and an affiliate of Related Midwest LLC, a Delaware limited liability company, based in Chicago, Illinois.

Village Markets (Lots 16 and part of 17) consists of an approximately 102,000 square foot retail development comprised of 14 retail spaces. Village Market is owned by Lakeshore East Retail LLC, an Illinois limited liability company, and is a joint venture between affiliates of Magellan and Hanwha Village Market LLC ("Hanwha"). Hanwha, headquartered in Seoul, South Korea, is a subsidiary of a large conglomerate operating in a variety of business sectors, including real estate development and construction.

GEMS Lower School (portion of Lot 15) is a completed private elementary school, owned by GEMCHI (IL) LLC, an Illinois limited liability company and affiliate of GEMS. GEMS is a global advisory and educational management firm, and the largest operator of kindergarten-to-grade-12 schools in the world, with a network of over 70 schools in over a dozen countries.

### Under Construction

St. Regis Tower (Parcels C and D) is a mixed-used building with a 192 room St. Regis hotel and 393 branded residential condominium units (The Residences at St. Regis Chicago). The residential portion of the building achieved initial occupancy in late 2020. Though construction continues in the building, purchasers have closed on their units and people have moved into the building. The projected opening date for the hotel is early 2022. Parcels C and D are owned and being developed by Parcel C, LLC, a Delaware limited liability company and an affiliate of Magellan Development Group LLC ("Magellan"), a Chicago-based real estate development company. The condominium parcel will represent 73.69% of the total special assessment for Parcels C and D, and the hotel will represent 26.31% of the total assessment for Parcels C and D. Sufficient funds to complete the construction of Vista Tower are in place, and the approximately \$1 billion capital stack is anchored by a senior construction loan from JPMorgan.

Cirrus (Parcel J) is currently under construction as a 354 unit residential condominium building. Parcel J is currently owned by 211 North Harbor Drive Owner LLC, a Delaware limited liability company, which is

a joint venture of an affiliate of Lendlease, a multinational construction, property and infrastructure company based in Barangaroo, Sydney, Australia ("Lendlease") and affiliates of Magellan. Financing sufficient to construct Cirrus has been provided to 211 North Harbor Drive Owner LLC by CIBC Bank U.S., as agent for itself and certain other lenders. Cirrus is estimated to receive initial occupancy and open in late 2021. Cirrus has been allocated 30% of the total assessments for Parcels I, J, K and L.

Cascade (Parcels K and L) is currently under construction as a 503 residential rental unit apartment building. Parcels K and L are currently owned and being developed by 445 East Waterside Drive Owner LLC, a Delaware limited liability company, and joint venture with Lendlease and Magellan. Financing sufficient to complete construction of Cascade has been provided by CIBC Bank U.S., as agent for itself and certain other lenders. Cascade is estimated to receive initial occupancy and open in 2021. Cascade has been allocated 20% of the total assessments for Parcels I, J, K and L.

GEMS Upper School (Parcel B) is currently under construction as a private middle school and high school for GEMS Academy. It is currently owned and being developed by GEMCHI (IL) LLC, an Illinois limited liability company and affiliate of GEMS. GEMS is a global advisory and educational management firm, and is the largest operator of kindergarten-to-grade-12 schools in the world, with a network of over 70 schools in over a dozen countries. Construction is anticipated to be complete in 2022, prior to the start of Fall classes.

#### Undeveloped Parcels

Lot 12 is an approximate 12,300 square foot Parcel in the Northeast corner of the Lakeshore East Project, currently owned by Lakeshore East LLC, an Illinois limited liability company. Lot 12 is intended to be a public elementary school, however there is currently no timetable set to begin construction. Lot 12 is owned by Lakeshore East LLC.

Parcel I is owned by IJKL LLC, an Illinois limited liability company and a joint venture of Lendlease and Magellan. Parcel I has been allocated 50% of the total assessments for Parcels I, J, K and L. It is anticipated that a 344 unit residential condominium building will be constructed on Parcel I. While there is currently no timetable set to begin construction, it is estimated that construction would begin several years from now with a rough projection of initial occupancy in 2025.

Parcel O is owned by Parcel O LLC, an Illinois limited liability company and joint venture between Hanwha Parcel O LLC and a Magellan affiliate. A small portion of the building falls on Lot 15, and thus is within the SAA. It is anticipated that a mixed-use high-rise containing 609 rental apartments, a 240 room hotel and retail space will be constructed on Parcel O. Construction is expected to commence in early 2022, with a projected initial occupancy in 2024.

#### **Environmental Update on Lakeshore East Project Site\***

At or about the time of Lakeshore East LLC's acquisition of the Lakeshore East Project Site in 2002, it was determined by the U.S. Environmental Protection Agency ("USEPA") that there was contamination from certain thorium waste materials present in the material used to fill former boat slips located at various locations across the land underneath the Lakeshore East Project Site. The Original Developer Entities, in conjunction with STS Consultants Ltd., developed a Work Plan for Remediation of the thorium (the "Work Plan"). The Work Plan was approved by the USEPA and the Original Developer

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\* Source: Lakeshore East Development Group, LLC

Entities instituted the Work Plan beginning in October of 2002. The Remediation under the Work Plan was completed in March of 2003.

The Original Developer Entities submitted a Completion Report of the Work Plan to the USEPA in September 2004 and provided their response to the USEPA comments to the Completion Report in November 2004. The USEPA issued a Completion of On-Site Work letter on February 9, 2005 (the "USEPA Remediation Completion Letter"). The USEPA Remediation Completion Letter included a provision to monitor any future disturbance of soil within the former boat slips, which impacts many of the Parcels, including Parcel I.

Subsequent development at the Lakeshore East Project conformed with the requirements of the USEPA Remediation Completion letter and the approved Work Plan. Additional Completion Reports have been submitted and approved by the USEPA.

In addition, the State of Illinois Environmental Protection Agency issued No Further Remediation(s) letters for the Lakeshore East Park, various right of ways and developed parcels.

### **Bond Financed Public Improvements Project Summary**

Pursuant to the Special Assessment Ordinance adopted by the City on June 19, 2002, and the Supplemental Ordinance adopted by the City on October 2, 2002, the City approved pre-final plans for the construction of the Bond Financed Public Improvements Project. On June 20, 2008, the Board of Local Improvements of the City of Chicago ("BOLI") filed a Certificate of Final Costs and Completion with the Court (the "Final Completion Certificate"). The Final Completion Certificate certified to the completion of the Bond Financed Public Improvements Project; provided a statement of the Bond Financed Public Improvements Project costs; and the amount which BOLI estimated would be required to pay accruing interest on vouchers bonds issued in anticipation of the collection of assessment as follows:

#### **Statement of Bond Financed Public Improvements Project Costs\***

Total Amount of Assessment as Confirmed by the Court		\$67,415,731
Land Acquisition Costs	\$25,833,466	
Total Cost for Constructing and Improvement	15,695,870	
Costs of Engineering and Inspection	770,664	
Cost of Making Levying and Collecting the Assessment and lawful Expenses attending same	3,310,843	
Debt Service Reserve	5,893,300	
Capitalized Interest	9,299,335	
Bond Discount	1,885,028	
Amount Estimated By BOLI That is Required to Pay Accruing Interest on Bonds and Vouchers To be Issued in Anticipation of Said Assessment, as Provided By Law	3,973,011	
Interest Earnings On Funds On Deposit	(444,663)	
Total Assessment Required		\$66,216,854
Surplus To Be Abated		\$1,198,876

\*Source: Certificate of Final Cost and Completion City of Chicago Special Assessment Docket No. 58763; Warrant No.62456; 02 CS 025.

On August 15, 2008 the Court issued its Order Confirming the "Certificate of Final Cost and Completion" finding the total amount assessed, as adjusted for the making of the Bond Financed Public Improvements to be \$67,415,731 of which there was an abatement of \$1,198,876 which constituted 34.46% of the final installment due September 2, 2032, effective September 1, 2008. (See the Order Confirming Certificate of Final Cost and Completion dated August 15, 2008, City of Chicago Special Assessment Docket No. 58763; Warrant No.62456; 02 CS 025.).

### SPECIAL ASSESSMENT ROLL

The following table sets forth the Assessment Roll. The remaining "Total Assessment" has been confirmed by the Court pursuant to its Order Confirming Certificate of Final Cost and Completion and entered on August 15, 2008. See "SPECIAL ASSESSMENT PROCEEDINGS."

Date	Total Assessment	Interest Component	Total Assessment with Interest
09/01/2021	\$972,469.39	\$1,378,036.47	\$2,350,505.86
03/01/2022	1,077,674.14	1,345,215.59	2,422,889.73
09/01/2022	1,077,674.14	1,308,842.90	2,386,517.04
03/01/2023	1,191,421.14	1,272,472.85	2,463,893.99
09/01/2023	1,191,421.14	1,232,262.01	2,423,683.15
03/01/2024	1,316,857.74	1,192,051.21	2,508,908.95
09/01/2024	1,316,857.74	1,147,607.38	2,464,465.12
03/01/2025	1,452,634.73	1,103,164.70	2,555,799.43
09/01/2025	1,452,634.73	1,054,138.05	2,506,772.78
03/01/2026	1,599,202.17	1,005,110.50	2,604,312.67
09/01/2026	1,599,202.17	951,137.86	2,550,340.03
03/01/2027	1,757,459.23	897,164.75	2,654,623.98
09/01/2027	1,757,418.63	837,850.46	2,595,269.09
03/01/2028	1,927,975.56	778,538.18	2,706,513.74
09/01/2028	1,927,975.55	713,467.99	2,641,443.54
03/01/2029	2,112,658.25	648,398.93	2,761,057.18
09/01/2029	2,112,246.16	577,097.05	2,689,343.21
03/01/2030	2,311,786.12	505,808.78	2,817,594.90
09/01/2030	2,311,786.12	427,786.21	2,739,572.33
03/01/2031	2,526,606.34	349,762.85	2,876,369.19
09/01/2031	2,526,606.35	264,489.41	2,791,095.76
03/01/2032	2,782,771.80	179,217.21	2,961,989.01
09/01/2032	2,218,950.22	74,889.12	2,293,839.34

**SPECIAL ASSESSMENT LEVY AND COLLECTIONS**  
(as of \_\_\_\_\_, 2021)

Tax Year	Total Number of Initial Statements	Total Levy of Initial Statements	Total Number of Delinquencies reported to Cook County	Total Levy (Delinquencies reported to Cook County)	Delinquency Rate	# of Delinquencies collected by Servicer before turning over to Cook County	Total Levy Collected by Servicer before turning over to Cook County	Collection Rate of Delinquencies for Given Tax Year
2015	5072	\$4,505,892.82	331	\$238,692.48	6.53%	19	\$6,315.34	5.74%
2016	5040	4,529,795.75	304	95,118.22	6.03	36	12,516.66	11.84
2017	4957	4,558,598.94	293	96,858.07	5.91	8	3,101.73	2.73
2018	4850	4,540,263.80	276	101,741.88	5.69	7	1,785.63	2.54
2019	4778	4,546,765.03	302	247,333.09	6.32	21	8,302.05	6.95

Source: The Servicer

Annually on or before December 1 the Servicer shall update the information contained in this chart and submit the form to the Trustee. Past performance may be no indication of future performance.

**TOP TEN TOTAL REMAINING ASSESSMENTS**

PINS	Lot/Parcel**	Owner Name**	Owner Address**	Remaining Assessment*	Status**
17-10-318-080-0000	Parcel C&D	Parcel C LLC	225 N. Columbus Drive, Suite 100, Chicago, IL 60601	\$8,165,566	Completed
17-10-400-021-0000	Parcel I (Condos)	IJKL LLC, c/o LendLease	200 Park Avenue, 9 <sup>th</sup> Floor, New York, NY 10166	5,974,039	Undeveloped Under Construction
17-10-400-022-0000	Parcel J	211 North Harbor Drive Owner LLC, c/o LendLease GEMCHI (IL) LLC,	200 Park Avenue, 9 <sup>th</sup> Floor, New York, NY 10166	4,092,941	(Cirrus) Under Construction
17-10-318-081-0000	Parcel B	c/o GEMS Americas, Inc.	70 W. 40 <sup>th</sup> St., 6 <sup>th</sup> Floor, New York, NY 10018-2625	2,536,098	Under Construction
17-10-400-047-0000	Parcel K/L (Rental/Retail)	445 East Waterside Drive Owner LLC, c/o LendLease GEMCHI (IL) LLC,	200 Park Avenue, 9 <sup>th</sup> Floor, New York, NY 10166	1,077,610	Construction (Cascade)
17-10-318-083-0000	Lot 22	c/o GEMS Americas, Inc.	70 W. 40 <sup>th</sup> St., 6 <sup>th</sup> Floor, New York, NY 10018-2625	261,747	Completed
17-10-400-025-0000	Lot 12	Lakeshore East LLC	225 N. Columbus Drive, Suite 100, Chicago, IL 60601	246,874	Undeveloped
17-10-318-075-0000	Parcel O	Parcel O LLC	225 N. Columbus Drive, Suite 100, Chicago, IL 60601	194,335	Undeveloped
17-10-318-056-0000	Lot 16	Lakeshore East Retail LLC	225 N. Columbus Drive, Suite 100, Chicago, IL 60601	119,790	Completed
<b>Top Ten Total</b>				<b>\$25,938,944</b>	
<b>Total Assessments Remaining</b>				<b>\$41,659,503</b>	
<b>Top Ten as a Percent of Total</b>				<b>62.26%</b>	

\*Source: Provided by Servicer (10/5/2020).

\*\*Lakeshore East Development Group LLC.

## DEBT SERVICE COVERAGE

The following table sets forth estimated annual debt service and coverage ratios for the Bonds.

Assessment Due Date	Total Assessment with Interest <sup>(1)</sup>	Deposit to Levying & Collection (5%)	Net Assessment	Bond Payment Date	Principal Bonds <sup>(2)</sup>	Interest on Bonds <sup>(2)</sup>	Total Debt Service <sup>(2)</sup>	Debt Service Coverage <sup>(2)</sup>
09/01/2021	\$2,350,505.86	\$(117,525.29)	\$2,232,980.57	12/01/2021				
03/01/2022	2,422,889.73	(121,144.49)	2,301,745.24	06/01/2022				
09/01/2022	2,386,517.04	(119,325.85)	2,267,191.19	12/01/2022				
03/01/2023	2,463,893.99	(123,194.70)	2,340,699.29	06/01/2023				
09/01/2023	2,423,683.15	(121,184.16)	2,302,498.99	12/01/2023				
03/01/2024	2,508,908.95	(125,445.45)	2,383,463.50	06/01/2024				
09/01/2024	2,464,465.12	(123,223.26)	2,341,241.86	12/01/2024				
03/01/2025	2,555,799.43	(127,789.97)	2,428,009.46	06/01/2025				
09/01/2025	2,506,772.78	(125,338.64)	2,381,434.14	12/01/2025				
03/01/2026	2,604,312.67	(130,215.63)	2,474,097.04	06/01/2026				
09/01/2026	2,550,340.03	(127,517.00)	2,422,823.03	12/01/2026				
03/01/2027	2,654,623.98	(132,731.20)	2,521,892.78	06/01/2027				
09/01/2027	2,595,269.09	(129,763.45)	2,465,505.64	12/01/2027				
03/01/2028	2,706,513.74	(135,325.69)	2,571,188.05	06/01/2028				
09/01/2028	2,641,443.54	(132,072.18)	2,509,371.36	12/01/2028				
03/01/2029	2,761,057.18	(138,052.86)	2,623,004.32	06/01/2029				
09/01/2029	2,689,343.21	(134,467.16)	2,554,876.05	12/01/2029				
03/01/2030	2,817,594.90	(140,879.75)	2,676,715.16	06/01/2030				
09/01/2030	2,739,572.33	(136,978.62)	2,602,593.71	12/01/2030				
03/01/2031	2,876,369.19	(143,818.46)	2,732,550.73	06/01/2031				
09/01/2031	2,791,095.76	(139,554.79)	2,651,540.97	12/01/2031				
03/01/2032	2,961,989.01	(148,099.45)	2,813,889.56	06/01/2032				
09/01/2032	2,293,839.34	(114,691.97)	2,179,147.37	12/01/2032				
	<b>\$59,766,800.02</b>	<b>\$(2,870,814.78)</b>	<b>\$56,778,460.01</b>					

<sup>(1)</sup>Total Assessment, Interest Component and Total Assessment with Interest provided by Servicer.

<sup>(2)</sup>Preliminary subject to change.

## SECURITY AND SOURCE OF PAYMENT FOR THE BONDS

### General

The Bonds are limited obligations of the City, payable solely from the Trust Estate consisting of (i) the Assessments and all interest and penalties derived therefrom, (ii) the Special Assessment Lien and (iii) all Funds and Accounts established under the Trust Indenture except (A) the Assessee's Credit Fund (B) any Rebate Fund and (C) the Defeasance Account, which is pledged solely to the Series 2002 Bonds (collectively, the "Trust Estate"). See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS - Funds and Accounts."

THE BONDS ARE NOT GENERAL OBLIGATIONS OF THE CITY AND NEITHER THE FULL FAITH AND CREDIT NOR THE GENERAL TAXING POWER OF THE CITY, THE COUNTY OF COOK, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE BONDS. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMIT. NO HOLDER OF ANY BOND SHALL HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY TAXING POWER OF THE CITY, THE COUNTY OF COOK, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF FOR PAYMENT OF THE PRINCIPAL AMOUNT OF, PREMIUM, IF ANY, OR INTEREST ON THE BONDS.

The Trust Estate is pledged to, and a security interest in the Trust Estate is granted to, the Trustee for the benefit of the Owners of the Bonds, subject only to the provisions of the Trust Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Trust Indenture. For the purpose of providing the funds required to pay the interest on the Bonds as it falls due and to pay and discharge the principal thereof at maturity, the Assessments have been imposed in amounts sufficient for that purpose. The City's Financial Advisor has verified that the Assessments as imposed will exceed debt service on the Bonds, however, there can be no assurance that the amount of the Assessments actually collected will be sufficient for such purpose. Pursuant to a Servicing Agreement dated as of December 1, 2002, as supplemented by the First Supplemental Servicing Agreement dated \_\_\_\_\_, 20\_\_\_\_ (collectively, the "Servicing Agreement") among the City, The Bank of New York Mellon, as successor to BNY Assets Solution LLC (the "Servicer") and the Trustee, the Servicer is to administer the billing and collection of the Assessments. See "THE SERVICING AGREEMENT."

### Funds and Accounts

*Costs of Issuance Account.* Amounts deposited into the Series 2021 Cost of Issuance Account shall be used solely for the purpose of paying costs incurred in connection with the issuance of the Bonds. Disbursement from the Costs of Issuance Account shall be made by the Trustee upon receipt of a Written Request from the City which shall set forth the amount required to be disbursed, the purpose for which the disbursement is to be made, that the disbursement is a proper expenditure from the Costs of Issuance Account, and payment instructions to the Trustee for the amount to be disbursed. At such time as the Trustee is furnished with a certificate of the City stating that all fees and expenses have been paid, the Trustee shall transfer all amounts remaining in the Series 2021 Costs of Issuance Account to the Debt Service Account.

*Disposition of Assessment Receipts.* Commencing with the Issue Date, as soon as practicable after the receipt by it or the Lockbox Bank of any Assessment Receipts, whether an Installment or a Prepayment with respect to a Lot or any other payment on account of the Assessment, the City shall transmit or cause to be transmitted the Assessment Receipts to the Trustee for deposit into the Assessment Fund with respect to an Installment and for deposit into the Prepayment Account with respect to a Prepayment as provided in the Indenture. Pursuant to the Servicing Agreement, the Servicer will direct all Assessee's to pay any

Installments or Prepayments directly to the Lockbox Bank. Any proceeds received by the City or the Trustee from any tax sale or foreclosure of a Lot shall be deposited by the Trustee in the Assessment Fund.

*Disposition of Moneys in the Assessment Fund.* On May 15<sup>th</sup> of each year, the Trustee shall transfer all amounts on deposit in the Assessment Fund to the Funds and Accounts as follows:

A. To the Making and Levying Fund, 5.00% of the amount of each Installment so collected since the immediately preceding November 15 and then on deposit in the Assessment Fund inclusive of the amount of interest collected on the costs of making and levying portion of the Installment then remaining within the Assessment Fund.

B. To the Debt Service Account of the Debt Service Fund, the amount required to be deposited therein so that the aggregate amount held in the Debt Service Account will equal the interest due on all Bonds Outstanding on the June 1 Interest Payment Date.

On November 15<sup>th</sup> of each year, the Trustee shall transfer all amounts on deposit in the Assessment Fund to the Funds and Accounts as follows:

A. To the Making and Levying Fund, 5.00% of the amount of each Installment so collected since May 15 and then on deposit in the Assessment Fund inclusive of the amount of interest collected on the making and levying portion of the Installment then remaining within the Assessment Fund.

B. To the Debt Service Account of the Debt Service Fund, the amount required to be deposited therein so that the aggregate amount held in the Debt Service Account will equal the interest and Principal Installment due on all Outstanding Bonds on the December 1 Interest Payment Date.

C. To the Debt Service Reserve Account of the Debt Service Fund, a sum sufficient such that the amount to the credit of such account will be equal to the Debt Service Reserve Requirement.

D. To the General Reserve Fund, all amounts remaining.

*Making and Levying Fund; Deposits; Payment of Costs of Making and Levying.* The Costs of Making and Levying shall be paid by the Trustee from time to time as they become due and payable from moneys in the Making and Levying Fund. The Trustee shall disburse moneys for Costs of Making and Levying upon a Written Certificate of the City stating (i) the name and address of the person, firm or corporation to whom payment is due (which may be the City for costs advanced), (ii) the amount to be paid, and (iii) the nature of the payment and that the cost is a proper Cost of Making and Levying.

The Trustee shall notify the City on or prior to \_\_\_\_\_ of each year of amounts on deposit in the Making and Levying Fund in excess of \$300,000 not otherwise required to pay Costs of Making and Levying and that it intends to transfer such amounts to the Annual Interest Credit Account of the Assesseees' Credit Fund unless the City provides alternative directions. In the event the City does not direct the Trustee as to the use of such funds within 30 days of delivery of such notice, the Trustee shall transfer the amount of such excess to the Annual Interest Credit Account of the Assesseees' Credit Fund.

*Debt Service Fund — Debt Service Account.* The Trustee shall pay out of the Debt Service Account (1) on or before each Interest Payment Date the amount required for the interest payable on such date; (2) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (3) on or before any redemption date for the Bonds, the amount required for the payment of interest on the Bonds then to be redeemed.



Amounts accumulated in the Debt Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) may and, if so directed by the City in writing, shall be applied by the Trustee, on or prior to the 60<sup>th</sup> day preceding the due date of such Sinking Fund Installment, to (1) the purchase of Bonds for which such Sinking Fund Installment was established, or (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms. All purchases of any Bonds pursuant to this paragraph shall be made at prices not exceeding the applicable sinking fund Redemption Price of such Bonds, and such purchases shall be made by the Trustee as directed by the City. The applicable sinking fund Redemption Price (or principal amount of maturing bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Debt Service Account until such Sinking Fund Installment date, for the purpose of calculating the amount on deposit in such account. As soon as practicable after the 45<sup>th</sup> day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption, by giving notice as provided in the Trust Indenture, on such due date Bonds for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment after making allowance for any Bonds purchased or redeemed which the City has directed the Trustee to apply as a credit against such Sinking Fund Installment as provided in the Trust Indenture. Such notice of redemption shall be given as provided in the Indenture. The Trustee shall pay out of the Debt Service Account on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing). All expenses in connection with the purchase or redemption of Bonds shall be paid from the Making and Levying Fund. Any purchase of Bonds pursuant to this paragraph may be made with or without tenders of Bonds and at either public or private sale, in such manner as the City may determine.

*Debt Service Fund — Debt Service Reserve Account.* The Debt Service Reserve Requirement as of any particular date is the amount of moneys equal to ten percent (10%) of the original principal amount of the Bonds, less ten percent (10%) of the principal amount of Bonds redeemed by operation of the Prepayment Account of the Debt Service Fund. On the Issue Date there shall be deposited from Bond proceeds an amount of \$ \_\_\_\_\_\* to the Debt Service Reserve Account. Such amount shall constitute part of the Trust Estate.

If on any date on which the principal or sinking fund Redemption Price of or interest on the Bonds shall be due, the amount on deposit in the Debt Service Account in the Debt Service Fund shall be less than the amount required to pay such principal, Redemption Price or interest, then the Trustee, after first applying amounts from the General Reserve Fund as provided in the Trust Indenture and described below under the caption "General Reserve Fund," shall apply amounts from the Debt Service Reserve Account to the extent necessary to cure the deficiency.

Whenever Bonds are to be redeemed from amounts on deposit in the Prepayment Account of the Debt Service Fund, the Trustee shall calculate the maximum principal amount of Bonds that can be redeemed taking into account the reduction in the Debt Service Reserve Requirement that will result upon such redemption and assuming that any moneys in the Debt Service Reserve Account, exclusive of interest earnings, in excess of the Debt Service Reserve Requirement will be available, as of the redemption date, for the payment of the Redemption Price of the Bonds to be redeemed. In the event such calculation indicates that there will be an excess attributable solely to the Prepayment, such excess shall be transferred to the Prepayment Account in anticipation of the mandatory redemption of Bonds and applied to the redemption of Bonds in the same manner as the Prepayment.

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\* Preliminary, subject to change.

Except as otherwise provided in the preceding paragraph and except with respect to amounts transferred to the Annual Interest Credit Account of the Assessee's Credit Fund as described below, if the amount on deposit in the Debt Service Reserve Account shall exceed the Debt Service Reserve Requirement, such excess shall be transferred to the General Reserve Fund.

Whenever the amount in a Debt Service Reserve Account, together with the amount in the Debt Service Account and the General Reserve Fund (less any amount required to be paid to a Rebate Fund), is sufficient to pay in full all Outstanding Bonds in accordance with their terms (including the maximum amount of principal or applicable sinking fund Redemption Price and interest which could become payable thereon), the funds on deposit in the Debt Service Reserve Account and General Reserve Fund shall be transferred to the Debt Service Account. Prior to said transfer, all investments held in the Debt Service Reserve Account and the General Reserve Fund shall be liquidated to the extent necessary in order to provide for the timely payment of principal and interest (or Redemption Price) on Bonds. Any provision of the Trust Indenture to the contrary notwithstanding, so long as there shall be held in the Debt Service Fund an amount sufficient to pay in full all Outstanding Bonds in accordance with their terms (including the maximum amount of principal or applicable sinking fund Redemption Price and interest which could become payable thereon), no deposits shall be required to be made into the Debt Service Reserve Account.

Notwithstanding any other provision of the Trust Indenture, any income earned on moneys or investments in the Debt Service Reserve Account may be applied at the written direction of the City to pay rebate or transferred to the Rebate Fund.

*Debt Service Fund — Prepayment Account.* Amounts to the credit of the Prepayment Account shall be applied by the Trustee to the redemption of Bonds on the next available Interest Payment Date. To the fullest extent possible, all of the amounts in the Prepayment Account shall be applied to the payment of the Redemption Price of Bonds on each such Interest Payment Date, taking into account amounts available from the Debt Service Account to pay interest on such Bonds and amounts transferable from the Debt Service Reserve Account. The amount necessary from the Prepayment Account shall be transferred to the Debt Service Account on the applicable date of redemption and applied to the Redemption Price.

*General Reserve Fund.* If five days prior to any Interest Payment Date, the sum of the amount held in the Debt Service Account and available for disbursement on such Interest Payment Date, shall be less than the amount required to pay the interest and Principal Installments on Bonds to become due on such Interest Payment Date, then the Trustee shall withdraw from the General Reserve Fund and deposit into the Debt Service Account the amount necessary to cure such deficiency.

If at any time the amount held in the Debt Service Reserve Account shall be less than the Debt Service Reserve Requirement, then the Trustee shall withdraw from the General Reserve Fund and deposit into the Debt Service Reserve Account the amount necessary to cure such deficiency.

At the direction of the City expressed in a Written Certificate of the City, the Trustee shall withdraw from the General Reserve Fund and pay to the Series 2021 Rebate Fund (and any other Rebate Fund established with respect to a Series of Refunding Bonds) the estimated amount needed to provide for the payment of any amounts to become due to the United States of America pursuant to Section 148(f) of the Code with respect to the Bonds in the current or the next ensuing Bond Year.

After provision has been made for any payments or transfers pursuant to the preceding paragraphs of this Section, and provided amounts on deposit in the General Reserve Fund exceed the General Reserve Fund Requirement, then the Trustee shall notify the City of the excess amounts on

deposit in the General Reserve Fund in excess of the General Reserve Fund Requirement and that it intends to transfer such amounts to the Annual Interest Credit Account of the Assessee's Credit Fund unless the City provides alternative directions. In the event the City does not direct the Trustee as to the use of such funds within 30 days of delivery of such notice, the Trustee shall transfer the amount in excess of the General Reserve Fund Requirement to the Annual Interest Credit Account of the Assessee's Credit Fund without any further direction.

The General Reserve Fund Requirement is an amount equal to \$500,000.

The Trustee shall provide to the City and the Underwriter monthly statements itemizing all moneys received by it and all payments made by it under the Trust Indenture during the preceding month. The reports, statements and other documents required to be furnished to or by the Trustee pursuant to any provisions of the Trust Indenture or the Continuing Information Agreement shall be available to each Beneficial Owner who shall file a written request therefor with the Trustee. See, APPENDIX A – TRUST INDENTURE.

### **Covenants of the City**

The City covenants and agrees with the Bondowners as follows:

The City shall duly and punctually pay or cause to be paid, but solely from the Trust Estate and not otherwise, the principal or Redemption Price of every Bond and the interest thereon, at the date, and places and in the manner mentioned in the Bonds, according to the true intent and meaning thereof.

The City shall not directly or indirectly extend or assent to the extension of the mandatory redemption or maturity of any of the Bonds or interest except as provided in the Trust Indenture with respect to Supplemental Indentures. Nothing in the Trust Indenture shall be deemed to limit the right of the City to issue Refunding Bonds and such issuance shall not be deemed to constitute an extension of maturity of Bonds.

At any and all times the City shall, as far as it may be authorized by law, comply with any reasonable request of the Trustee to pass, make, do, execute, acknowledge and deliver, all and every such further Supplemental Indentures, ordinances, resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Assessments and other moneys, securities and funds pledged by the Trust Indenture or assigned, or intended so to be, or which the City may become bound to pledge or assign.

The City is duly authorized under the Authorizing Acts and all applicable laws to issue the Bonds and to adopt the Trust Indenture and to pledge the Trust Estate in the manner and to the extent provided in the Trust Indenture. Except to the extent otherwise provided in the Trust Indenture, the Trust Estate is and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the respective pledges and assignments created by the Trust Indenture and all corporate or other action on the part of the City to that end has been and will be duly and validly taken. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Trust Estate and all the rights of the Bondowners under the Trust Indenture against all claims and demands of all persons whomsoever.

The City has good right and lawful power to construct, or cause to be constructed, the Bond Financed Public Improvements Project and to make the Assessment.

Other than as provided herein under "THE BONDS — Additional Bonds," the City shall not issue any bonds, notes, debentures, or other evidences of indebtedness of similar nature, other than the Bonds, payable out of or secured by a pledge or assignment of the Trust Estate, other moneys, securities or funds held or set aside by the City or by the Trustee under the Trust Indenture and shall not create or cause to be created any lien or charge on the Trust Estate, or such moneys, securities or funds; provided, however, that nothing contained in the Trust Indenture shall prevent the City from issuing, if and to the extent permitted by law evidences of indebtedness (i) payable out of moneys in the Improvement Fund as part of the Costs of the Bond Financed Public Improvements Project, or (ii) payable out of, or secured by a pledge or assignment of, the Assessment to be received on and after such date as the pledge of the Assessment provided in the Trust Indenture shall be discharged and satisfied as provided in the Trust Indenture.

The City shall diligently enforce the Special Assessment Lien, including, without limitation, by providing to the County the information required by the County to commence and maintain a tax sale of the Lot or parcel on which the delinquent Assessment lies. In the event the tax lien is forfeited at any such tax sale, and the aggregate amount of delinquent Assessment exceeds \$25,000, at the written request of the Trustee, the City shall enforce or cause to be enforced the delinquent Assessment by the commencement and maintenance of an action to foreclose the lien of such delinquent Assessment in the manner provided by law. The costs of any such foreclosure action shall be paid from the Making and Levying Fund, or, in the event there are insufficient amounts on deposit in the Making and Levying Fund, from proceeds realized upon the disposition of the Lot(s) on which there was the foreclosed lien, if any.

The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of the Authorizing Acts and the Trust Indenture.

The City will not take any action or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on any Bond to become subject to Federal income taxes in addition to Federal income taxes to which interest on such Bond is subject on the date of original issuance thereof.

The City will not permit any of the proceeds of the Bonds, or any facilities financed with such proceeds, to be used in any manner that would cause any Bond to constitute a "private activity bond" within the meaning of Section 141 of the Internal Revenue Code of 1986 (the "Code").

The City will not permit any of the proceeds of the Bonds or other moneys to be invested in any manner that would cause any Bond to constitute an "arbitrage bond" within the meaning of Section 148 of the Code or a "hedge bond" within the meaning of Section 149(g) of the Code.

The City will comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

Pursuant to the Trust Indenture, the City has agreed to keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the Assessment and each Fund and Account established under the Trust Indenture, and which, shall, upon reasonable advance notice and during regular business hours, be subject to the inspection of the Trustee or the Owners of an aggregate of not less than 10% in principal amount of the Bonds then Outstanding or their representatives duly authorized in writing. The City shall: (i) annually, within 210 days after the close of each Fiscal Year, file with the Trustee a copy of the City's annual report for such Fiscal Year; (ii) file with the Trustee (1) forthwith upon becoming aware of any Event of Default, a Written Certificate of the City specifying such Event of Default; and (2) within 210 days after the end of each Fiscal Year, a Written Certificate of the City stating that, to the best of knowledge

and belief of the Authorized Officer executing such Written Certificate, the City has materially kept, observed, performed and fulfilled each and every one of its material covenants and obligations contained in the Trust Indenture and there does not exist at the date of such certificate any material default by the City under the Trust Indenture or, if any material default or Event of Default shall so exist, specifying the same and the nature and status thereof; (iii) any report, notice or communication given by the Developer pursuant to the Development Agreement; (iv) on or before May 1 and December 1 of each year, cause the Servicer to submit to the Trustee a list of all delinquent Assessments; and (v) on or before May 1 of each year, cause the Servicer to submit to the Trustee a report setting forth the number of Assesseees and the assessed value of all property subject to the Assessment.

## **Investments**

Unless further limited by the provisions of a Supplemental Indenture, moneys held in the Funds and Accounts established under the Trust Indenture may be invested and reinvested in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds and Accounts. The Trustee shall make all such investments of moneys held by it in accordance with Written Requests of the City filed with it. In making any investment in any Investment Securities with moneys in any Fund or Account established under the Trust Indenture, the City may instruct the Trustee to combine such moneys with moneys in any other Fund or Account, but solely for purposes of making such investment in such Investment Securities. See APPENDIX A - Trust Indenture for the definition of "Investment Securities."

## **Enforcement of Special Assessment Liens — Cook County**

Where the payment of the special assessment tax is delinquent, the City may enforce the collection of the lien through any of the available remedies under Article 9 of the Illinois Municipal Code. Pursuant to Article 9 of the Illinois Municipal Code, the following remedies may be used by the City to enforce the non-payment of the special assessment tax:

- (i) The delinquent special assessment tax may be included in the Cook County Collector's Annual Tax Sale;
- (ii) The City may institute an action to foreclose the lien; or
- (iii) The City may sell or assign the special assessment lien to a third party, subject to court approval.

Each of the above enforcement remedies is discussed more fully below.

*Enforcement Through the County Collector's Annual Tax Sale.* In counties, such as Cook, where the population is more than 1,000,000, the tax sale process begins with the City submitting to the County Collector a report setting forth all properties on which it has been unable to collect either special and/or special assessment taxes. The City's report shall be submitted to the County Collector on or before the first day of August in each year.

Once the County Collector receives the City's delinquency list, the County Collector shall proceed to obtain judgment against those properties for which special assessments and/or special taxes remain due and unpaid. The County Collector's application for judgment against lands for unpaid special taxes and/or special assessments shall be made concurrently with the County Collector's annual application for judgment and order of sale. It is from this point forward that delinquent special taxes and special assessments are treated no differently than unpaid general taxes under the Property Tax Code. The link

between the sale of unpaid special assessments and unpaid general taxes is addressed in Section 9-2-97 of the Illinois Municipal Code, which states that the provisions of the Property Tax Code shall apply to all proceedings to collect special assessments and special taxes under the Code.

After the proper notice has been given, the County Collector can then apply for judgment upon those special assessments or special taxes that remain due and unpaid for the year in question. Upon entry of the judgment, and provided the delinquent taxes are not subsequently paid by the taxpayer, the County Collector conducts an annual tax sale. Successful purchasers at the tax sale pay the amount of the delinquent special assessment taxes, together with interest, penalties and costs for the least penalty percentage. Upon full payment of this amount, plus the payment of any prior outstanding taxes on the Lot(s) in question, the tax purchaser receives a certificate of purchase. At such time, the lien for all delinquent taxes is shifted from the County to the tax purchaser. The certificate of purchase represents a lien, which may, in the absence of the delinquent taxpayer's exercise of its right of redemption, entitle the holder to obtain a tax deed and legal title to the parcel of real estate. Although redemption periods vary with the type of property involved and the procedure by which the certificate of purchase is obtained, in most cases the redemption period is two years from the date of the tax sale for commercial and industrial properties and two and one-half years from the date of the tax sale for residential (seven or less dwelling units).

If the lien for special assessment taxes is not sold at the annual tax sale, the Property Tax Code requires the tax lien to be forfeited to the State of Illinois. Although the Property Tax Code refers to the lien being forfeited to the State, the City's interest in the lien remains unchanged and the forfeiture may be redeemed by paying the amount due on the delinquent special assessment, together with the interest, costs and penalties fixed by law to the City's Treasurer/Collector. There is no time limit within which the forfeiture must be redeemed. If the forfeiture remains unpaid, however, it may trigger some other tax enforcement procedures under the Property Tax Code, such as tax forfeiture sales, scavenger sales and foreclosure sales. Under these other enforcement procedures, purchasers receive certificates of purchase and generally acquire the same rights as any other certificate of purchase holders, subject to different penalty interest schedules and, in certain circumstances, a shorter redemption period.

*Foreclosure Action.* Pursuant to Section 9-2-65 of the Illinois Municipal Code, the City is authorized to institute an action to foreclose the special assessment lien. Where a foreclosure action has been filed, the real property, which is subject to the special assessment lien, may be sold at a judicial foreclosure sale. Any action to foreclose the special assessment lien shall proceed in the same manner as foreclosures of delinquent general taxes under the Property Tax Code.

In an action to foreclose the special assessment lien, the court, upon making a finding that there has been a default in the payment of the special assessment, will authorize the lien to be sold at a public foreclosure sale. Where the lien has been sold, the successful bidder will be given a certificate of sale, which, if the lien is not redeemed prior to the expiration of the period of redemption, may be converted into a deed to the Lot(s) in question. The Illinois Constitution prescribes certain minimum redemption periods for the redemption of delinquent property taxes, including special assessments. While these minimum redemption periods may not be shortened, the Illinois General Assembly has provided for longer periods of redemption for certain types of properties. For instance, for residential property with less than seven dwelling units, the Illinois Constitution provides for a minimum redemption period of two years from the date of the sale. Whereas, under the Property Tax Code, the legislature has extended the minimum redemption period for such residential properties to two and one-half years. Reference should be made to both the Illinois Constitution and the Property Tax Code for determining the applicable period of redemption for a particular property.

The lien for a special assessment is of equal force and validity to a lien for general real estate taxes so long as the judgment for special assessment is recorded in the office of the county recorder within 60 days from the date the assessment roll is confirmed.<sup>1</sup> Therefore, when general real estate taxes and special assessments are sold together at a foreclosure sale and the amount of the sale is insufficient to satisfy each of the liens in full, the proceeds from the sale will be divided between the two types of taxes on a pro rata basis.

Such foreclosure actions, as described above, are not mandatory under the Property Tax Code. However, in the Trust Indenture the City has covenanted with the holders of the Bonds to diligently enforce the special assessment liens to the extent therein provided. For a description of this covenant, as well as other events of default and remedies under the Trust Indenture, see the information under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS - Covenants of the City" and APPENDIX A - Trust Indenture. Furthermore, as trustee for the holders of the special assessment bonds, the bondholders may compel the City to perform its duty and use all lawful means, including foreclosure, to collect the assessments out of which the bondholders are to be paid.

Moreover, no assurances can be given that a judicial foreclosure action, once commenced, will be completed or that it will be completed in a timely manner. See "RISK FACTORS — Potential Delay and Limitations in Foreclosure Proceedings" below. The ability of the City to foreclose the lien of delinquent special assessments might be limited in certain instances (i.e., consent may be required prior to foreclosure where the property is being held by the Federal Deposit Insurance Corporation, as receiver). See "RISK FACTORS — Bankruptcy" and "Assessment Delinquencies." Nor can any assurances be given that the real property subject to sale or foreclosure and sale will be sold or, if sold, that the proceeds will be sufficient to pay any delinquent installment. There is no requirement under the Property Tax Code that the City purchase or otherwise acquire any lot or parcel of property offered for sale or subject to foreclosure if there is no other purchaser at such sale.

*Sale and Assignment of Special Assessment Lien.* As an alternative enforcement method to the City initiating a foreclosure action, Article 9 of the Illinois Municipal Code authorizes the City to sell and assign the enforcement of the special assessment lien to a third party. In order for the City to sell and assign the special assessment lien, the City must first file a petition in the Court seeking authorization for the assignment, together with proper notification to the owners of the properties affected and owners and holders of the special assessment bonds and vouchers.

If, after hearing the petition, the court authorizes the City to sell and assign the special assessment lien, the City may, upon proper notice, sell the liens at a public sale. Upon the confirmation of the sale by the court, the purchaser of the lien will receive from the City a certificate of sale and assignment of the lien.

Notwithstanding the sale and assignment of the lien to a third party, the special assessment lien may still be redeemed by payment of the lien amount, plus costs and penalties, to the County Clerk at any time prior to the entry of a foreclosure judgment.

Similar to the authority granted to the City, the assignee of the special assessment lien may file a complaint to foreclose the lien. However, the assignee's filing of the foreclosure action must occur within 5 years from the date of the sale and assignment of the special assessment lien. If no action is commenced within 5 years from the assignment date, the lien and all rights of action to enforce the same shall expire and cease to exist.

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<sup>1</sup>Where the judgment is recorded beyond the 60 days, the lien for special assessment is not valid against the property

## THE SERVICING AGREEMENT

### Servicing Agreement

Pursuant to the Servicing Agreement, the Servicer shall keep the books and records of account with respect to the Roll and the collection of the Assessments, and shall provide information with respect thereto to the City and the Trustee upon written request within a reasonable amount of time. In furtherance of such undertaking, the Servicer agrees to do the following:

- A. bill the owner of each Lot, with a copy to each record lien holder who has requested in writing a copy of such tax bill and has paid the reasonable charges of the Servicer for providing such copy, the Assessment applicable to such Lot in accordance with the Special Assessment Law and the Servicing Agreement;
- B. instruct the owner of each Lot to remit to the Lockbox Bank all amounts billed by the Due Dates (March 1 and September 1);
- C. mail a notice to the owner of each Lot for any Delinquent Assessment within 15 days of it becoming a Delinquent Assessment and a second notice 30 days thereafter if not paid (as defined in the Servicing Agreement). Such notice shall inform the Lot owner that the Lot will be subject to a tax sale if the delinquency is not cured;
- D. obtain to the extent possible from the Cook County Recorder of Deeds a list of record lien holders, and notify such holders who have requested in writing a copy of any Lot Assessment bill and who have paid the reasonable charges of the Servicer for providing notices of any delinquencies and the need for them to cure Delinquent Assessments to protect their interests in the Lots;
- E. submit a list of all Delinquent Assessments to the Trustee on or before May 1 and December 1 of each year;
- F. submit a report on or before December 15 of each year to the Trustee and the City Department of Revenue setting forth the number of Assesseees and the assessed value of all Lots, and detailing the PIN, address and amount for each Delinquent Assessment, any payments received, the payment date and any amounts still delinquent, all in a format reasonably acceptable to the City and the County of Cook;
- G. promptly calculate the proper amount of Prepayment for each Lot in accordance with the Indenture and submit information with respect to such calculation to the Trustee pursuant to the Indenture; and
- H. undertake such actions and execute such documents as are necessary to release or partially release the Special Assessment Lien with respect to each Lot when the amount of any Prepayment has been paid in full. Servicer shall prepare payoff statement and advise the City, City shall prepare and execute the Release of Lien, and the Owner shall record Release of Lien.
- I. Upon the written request of the City, the Servicer shall promptly provide to the City a copy of any notice or report provided by the Servicer pursuant to the terms of the Servicing Agreement.

The Servicer shall mail Assessment bills to owners of Lots no later than February 1 and August 1 of each year with a copy to each record lien holder who has requested in writing a copy be delivered to it and has paid the reasonable charges of the Servicer for providing such copy. Each bill shall delineate the



portion thereof attributable to principal and interest, respectively, on the Assessment and delineate the pro rata credit available in the Assessee's Credit Fund.

No later than 15 days after the end of each month, the Servicer shall deliver the Monthly Servicer's Report to the City and the Trustee. The Monthly Servicer's Report shall set forth the name, address, PIN, amounts billed and amounts collected for each Lot for the current calendar year. See APPENDIX B - Servicing Agreement.

### **Servicer**

The Bank of New York Mellon's Commercial Loan Servicing operation, located in Dallas, Texas, sits within the bank's Issuer Servicer Division. The group provides administration and operational support to the commercial mortgage loan and asset backed lending markets for services encumbering the full loan life cycle, from origination through securitization. The operation services various commercial asset classes including CMBS, tax receivables, franchise and business loans.

## **THE CITY**

The City was incorporated in 1837. The City is a municipal corporation and home rule unit of local government under the Illinois Constitution of 1970 and as such, "may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; to license; to tax; and to incur debt" except that it can "impose taxes upon or measured by incomes or earnings or upon occupation" only if authorized by statute.

The General Assembly of the State of Illinois (the "State") may, by a three-fifths vote of each house, limit the ability of a home rule municipality to levy taxes. The General Assembly may similarly limit the debt that the City may incur, except that the General Assembly does not have the power to limit the debt payable from property taxes to less than three percent of the assessed valuation of the taxable property in the City. To date, the General Assembly has not imposed limits on the City's ability to levy taxes under its home rule powers or to incur debt payable from real property taxes.

## **THE SPECIAL ASSESSMENT PROCEEDINGS**

### **The Authorizing Acts**

The Illinois Constitution permits home rule units to make local improvements by special assessment. Pursuant to Division 2 of Article 9 of the Illinois Municipal Code, 65 ILCS 5/9, as modified and supplemented by Section 075, Title 2 of Chapter 102 of the Municipal Code of Chicago, the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460 and the Local Government Debt Reform Act, 30 ILCS 350 (collectively, the "Authorizing Acts"), procedures are established for the making of such local improvements by the imposition of special assessments, including the conduct of proceedings by a board of local improvement.

### **Special Assessments**

Pursuant to the Authorizing Acts, the Mayor and City Council of the City adopted an ordinance on June 19, 2002, providing for the Assessment (the "Special Assessment Ordinance"). Pursuant to the Special Assessment Ordinance and the Supplemental Ordinance, the City determined to construct the Bond Financed Public Improvements Project and to issue the Prior Bonds to finance the Bond Financed Public Improvements Project, and approved certain pre-final plans and an estimate of cost for the Bond

Financed Public Improvements Project. On November 12, 2002 the Court confirmed the Assessment Roll and Report and a judgment of confirmation was entered. An appeal from the final judgment and confirmation order may be taken in the manner provided in other civil cases, by the municipality or by any of the owners or parties interested in land taken, damaged or assessed therein, at any time on or prior to the date which is 30 days from the entry of the final judgment or order. The appeal period for the Assessment expired on December 12, 2002. See "SPECIAL ASSESSMENT LEVY AND COLLECTIONS."

On August 15, 2008 the Court issued its Order Confirming the "Certificate of Final Cost and Completion" finding the total amount assessed, as adjusted for the making of the Bond Financed Public Improvements to be \$67,415,731 of which there was an abatement of \$1,198,876 which constituted 34.46% of the final installment due September 1, 2032, effective September 1, 2008. See "LAKESHORE EAST PROJECT –Summary of Bond Financed Public Improvements".

### **RISK FACTORS**

Investment in the Bonds involves risks which may not be appropriate for certain investors. The following is a discussion of certain risk factors which should be considered, in addition to other matters set forth in this Limited Offering Memorandum, in evaluating the Bonds which are not rated by a recognized rating agency. This discussion does not purport to be comprehensive or definitive. The occurrence of one or more of the events discussed herein could adversely affect the ability or willingness of property owners of the Lots on the Lakeshore East Project Site to pay their Assessments when due. Such failures to pay Assessments could result in the inability of the City to make full and punctual payments of debt service on the Bonds. In addition, the occurrence of one or more of the events discussed herein could adversely affect the value of the property on the Lakeshore East Project Site.

#### **Limited Source of Funds**

The Bonds, together with the interest thereon, are limited obligations of the City, payable solely from the Assessments and the amounts on deposit in the various funds and accounts established and maintained under the Trust Indenture, all as more fully set forth therein. The Bonds are not general obligations of the City and do not 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 or limitation. No holder of the Bonds shall have the right to compel the exercise of any taxing power of the City for payment of principal thereof or interest or premium, if any, thereon. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS — General" herein.

#### **Overlapping Indebtedness**

The Assessments and any penalties assessed for failure to pay the Assessments will constitute a lien against the parcels of land on which they will be levied until such assessments are paid. Such lien will be on a parity with all special taxes and special assessments which may be levied by other agencies and the lien for general ad valorem real property taxes regardless of when they are imposed upon the same property. The City, however, has no control over the ability of other taxing bodies to issue indebtedness secured by taxes on the property within the Lakeshore East Project Site.

The ability of an owner of land within the Lakeshore East Project Site to pay the Assessments could be adversely affected if additional debt is issued or additional taxes or assessments are levied which are payable by the owners of land within the Lakeshore East Project Site. The imposition of additional liens, whether public or private, may reduce the ability or willingness of the landowners to pay the Assessments.

## **Unimproved Lots**

Unimproved Lots provide less security to the Bondowners should it be necessary for the City to foreclose on such unimproved Lots due to the nonpayment of the Assessments. The timely payment of the Bonds may be impacted by the willingness and ability of the owners of the unimproved Lots in the Lakeshore East Project Site to pay the Assessments levied thereon.

## **Assessment Delinquencies**

In order to pay debt service on the Bonds, it is necessary that the Assessments be paid in a timely manner. See "RISK FACTORS — Potential Delay and Limitations in Foreclosure Proceedings" and "— Bankruptcy" for a discussion of limitations on the City's ability to foreclose the lien of delinquent unpaid Assessments in certain circumstances.

## **Potential Delay and Limitations in Foreclosure Proceedings**

The ability of the City to foreclose the lien of a delinquent unpaid Assessment may be limited by bankruptcy, insolvency and other laws generally affecting creditors' rights or by the laws of the State relating to judicial foreclosure. See "RISK FACTORS — Bankruptcy." In addition, the prosecution of a foreclosure could be delayed due to many reasons, including crowded local court calendars or lengthy procedural delays.

The ability of the City to foreclose the lien of a delinquent unpaid Assessment may be limited with regard to properties in which the Federal Deposit Insurance Corporation ("FDIC") or any successor to the FDIC may acquire an interest. The FDIC currently does not have an interest in the land within the Lakeshore East Project Site. However, if a lender takes a security interest in property in the Lakeshore East Project Site and becomes insolvent, such a lender could fall under the jurisdiction of the FDIC. The FDIC could assert Federal preemptive power to challenge any prior taxes, special taxes and assessments where it is in their interest to do so, including the requirement that local agencies obtain the consent of the FDIC in order to foreclose the lien of delinquent Assessments.

If the City is required to obtain the consent of the FDIC to foreclose on property located in the Lakeshore East Project Site, such consent could be denied and the City might be unable to pursue foreclosure proceedings. Additionally, obtaining such consent could delay the foreclosure proceedings. Any delay in foreclosure proceedings or the inability of the City to foreclose on property in the Lakeshore East Project Site in which the FDIC has an interest could result in a delay or default in payment of the Bonds.

In addition, potential investors should be aware that judicial foreclosure proceedings are not summary remedies and can be subject to significant procedural and other delays caused by crowded court calendars and other factors beyond the control of the City. In addition, the Illinois Constitution prescribes certain minimum redemption periods, which may be as long as three years, in the event of foreclosure. See "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS — Enforcement of Special Assessment Liens — Cook County." It should be assumed that, under current conditions, it is estimated that a judicial foreclosure of the lien of the Assessments could take several years from initiation of litigation to the lien foreclosure sale.

Delays and uncertainties in the Assessment lien foreclosure process create significant risks for Bondholders. High rates of Assessment payment delinquencies which continue during the pendency of protracted Assessment lien foreclosure proceedings, could result in the rapid, total depletion of the Debt Service Reserve Account prior to replenishment from the tax sale process or the resale of lots in the

Lakeshore East Project Site upon foreclosure. In that event, there could be a default in payments of the principal of, and interest on, the Bonds.

### **Condemnation**

There may be an occasion where property within the Lakeshore East Project Site is acquired by a unit of government through condemnation. When this occurs, the unit of government that acquired the property may seek to have the property declared exempt from taxation under the general exemption provisions of the Illinois Property Tax Code. A declaration that a property is exempt from taxation under these provisions does not, however, extend to special assessments. Notwithstanding the inapplicability of general exemption laws to special assessments, special assessments have been declared invalid where the property to be assessed is either owned by the State of Illinois or the United States Government.

In addition, there is no assurance that future legislation will not be considered or enacted which will extend these general exemption provisions to special assessments or that judicial interpretation so existing Illinois law relating to the inapplicability of the general exemption provisions may be reconsidered or modified as to materially adversely affect the ability to collect the Assessment from such properties owned by units of local government.

### **Bankruptcy**

The various legal opinions to be delivered concurrently with the delivery of the Bonds (including Co-Bond Counsel's approving legal opinion) will be qualified, as to the enforceability of the various legal instruments, by moratorium, bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Although a bankruptcy proceeding would not cause the Assessments to become extinguished, the amount and priority of any Assessment Lien could be modified if the value of the Lakeshore East Project Site falls below the value of the lien. If the value of the Lakeshore East Project Site is less than the lien, such excess amount could be treated as an unsecured claim by a bankruptcy court having jurisdiction. In addition, bankruptcy of a property owner could result in a delay in commencement and completion of foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of the principal of, and interest on, the Bonds and the possibility of delinquent Assessment installments not being paid in full.

### **Limited Secondary Market**

There can be no guarantee that there will be a secondary market for the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. Except as set forth in the Trust Indenture, the City has not committed to provide any financial or and operating information on a going forward basis. See APPENDIX A - Trust Indenture. Occasionally, because of general market conditions, lack of current information, the absence of a credit rating for the Bonds or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. In addition, prices of issues for which a market is being made will depend on then prevailing circumstances. Such prices could be substantially different from the original purchase price.

### **Loss of Tax Exemption**

Interest on the Bonds could become includable in gross income for Federal income tax purposes retroactive to the date of issuance of the Bonds as a result of a failure of the City to comply with certain

provisions of the Code. Should such an event of taxability occur, the Bonds are not subject to early redemption and will remain outstanding to maturity or until redeemed under mandatory redemption provisions of the Trust Indenture.

#### **Risk of Legislative and Judicial Changes**

Future legislation, regulations, governmental or judicial interpretation of regulations or legislation or practices and procedures related to property tax assessment, levy, collections or distribution could have a material effect on the availability of the Assessments. There is no assurance that legislation will not be considered or enacted in the future, and unless provision is made in such legislation for special assessments generally in Illinois, the generation of the Assessments could be materially adversely affected.

#### **Information Not Verified**

Certain information concerning the Lakeshore East Project and the Lakeshore East Project Site and the Assessment has been obtained by the Developer and the Servicer as specified herein. Much of that information involves predictions of future events or information of which the City does not have direct knowledge and therefore by its nature, is not subject to verification by the City.

#### **Failure to Complete Development of the Lakeshore East Project**

Completion of the construction and development of the Lakeshore East Project is subject to economic considerations affecting the owners of the Parcels and Lots, including interest rates and the general economic climate of the City and the Chicago Metropolitan Area. The failure to complete the Lakeshore East Project, including substantial delays in the completion of the Lakeshore East Project due to the economy, litigation, the inability to obtain required funding or other causes may reduce the value of the property within the Lakeshore East Project. Bondowners should assume that any event that significantly impinges on the ability to complete development of the Lakeshore East Project would cause the property values for undeveloped Parcels and Lots within the Lakeshore East Project Site to decrease substantially and could affect the willingness and ability of the owners of undeveloped Parcels and Lots within the Lakeshore East Project to pay the Assessments when due.

#### **Local, State and Federal Land Use Regulations**

There can be no assurance that land development operations within the Lakeshore East Project Site will not be adversely affected by future government policies, including, but not limited to, governmental policies which directly or indirectly restrict or control development. The Development Agreement cannot limit the application of City, State or Federal laws and regulations which have preemptive effect on local land use regulations. During the past several years, City, state and Federal regulatory agencies have significantly expanded their involvement in local land use matters through increased regulatory enforcement of various environmental laws, including the Endangered Species Act, the Clean Water Act and the Clear Air Act, among others. Such regulations can substantially impair the rate and amount of development without requiring just compensation unless the effect of the regulation is to deny all economic use of the affected property. Bondowners should assume that any event that significantly impairs the ability to develop land in the Lakeshore East Project Site could cause the land values within the Lakeshore East Project Site to decrease substantially and could affect the willingness and ability of the owners of land to pay the Assessments when due or to proceed with development of land in the Lakeshore East Project Site. See "RISK FACTORS -- Failure to Complete Development of the Lakeshore East Project"

## **Competition**

The immediate vicinity and the City of Chicago area in general are subject to numerous pending and proposed projects which are similar to the uses for which the Lakeshore East Project is being marketed. This competition could have an adverse impact on the future value of the Lakeshore East Project Site as well as on the rate at which the Lots within the Lakeshore East Project Site are sold and developed. In addition, competing projects may not be subject to the additional tax burden of a special assessment, which could also affect absorption.

## **Concentration of Ownership of Parcels and Lots Undeveloped or Under Construction**

Certain Lots and Parcels within the Lakeshore East Project Site that are undeveloped or under construction are currently owned by either the Original Developer Entities or joint ventures affiliated to either the Original Developer Entities, certain other joint ventures or certain entities. See, LAKESHORE EAST PROJECT – Parcel Construction and Ownership. There are expected to be subsequent transfers of ownership of the Lots and Parcels to purchasers of condominiums or apartment owners within the Lakeshore East Project. In addition, current owners may sell the Lots or Parcels to third party developers. However, an increase in interest rates or other factors may result in lower sales of the Parcels and Lots unless and until any such transfers and takedowns occur, the timely payment of the Bonds depends on the willingness and the ability of the current owners to pay when due the Special Assessments related to the Parcels and Lots of the Lakeshore East Project within the SAA they own.

## **Reliance on the City Condominium and Rental Market**

The success of the Lakeshore East Project will be primarily driven by the absorption of its condominium units and the rental of apartment units. While secondary uses are allowed for hotel rooms and office towers, there will be a reliance upon the health of the condominium and rental market for the success of the Lakeshore East Project. High rise construction costs and the ability of the market to absorb these costs in terms of acceptable condominium prices and apartment rents will also be factors affecting the Lakeshore East Project Site. A slow condominium or rental market will delay the sales of the Parcels or Lots keeping a high concentration of ownership with the Original Developer Entities or joint ventures affiliated to either the Original Developer Entities or joint ventures and extending the term of the Lakeshore East Project.

## **Environmental**

The findings, testing, cost, remediation and approvals/certifications process with respect to the USEPA and the Illinois EPA, involved in the development of the Lakeshore East Project as described herein is such that there can be no assurance that this process will not affect the timing of the completion of the Lakeshore East Project completely stop the completion of the Lakeshore East Project or negatively affect the sale of Parcels, Lots or units in the Lakeshore East Project Site. See "LAKESHORE EAST PROJECT — Environmental Update on Lakeshore East Project Site."

## **Disclosures Regarding Covid-19**

The COVID-19 pandemic has severely impacted and continues to impact world, national and local commerce, financial markets and job markets including those of the City, and may continue to have an impact for some time. It is possible that the continued duration of the COVID-19 pandemic and the attendant increase in volatility in the financial markets combined with an increase in local unemployment may have a negative financial impact on the current owners and developers of the Parcels and Lots within the Lakeshore East Project Site which would adversely affect the ability or willingness of Lakeshore East

Site parcel owners to pay their Assessments. As a result, future collections of property taxes and Assessments, such as the Assessments for the Lakeshore East Project Lots may be reduced. It is not possible for the City to predict whether or to what extent COVID-19 or any other pandemic, epidemic or other health-related conditions will affect the future collection of the Assessments.

The City does not know and cannot predict whether and to what extent any COVID -19 related restrictions imposed by the Governor of the State of Illinois and the Mayor of the City of Chicago may adversely affect a developer's ability to complete the Lakeshore East Project. In addition, the City or the developers may be required to comply with any applicable directions or orders of federal and State authorities pursuant to future federal, State or local legislation or regulations which may result in limiting, suspending or otherwise materially affecting completion of the construction and development of the Lakeshore East Project. Neither the City nor the developers can predict if any such limitation or suspension to construction or development of the Lakeshore East Project may be instituted and, if instituted, the scope or duration of any such limitation or suspension. There is no assurance that future federal, State or local legislation or regulations will not be considered or enacted which will materially adversely affect the ability to complete the Lakeshore East Project.

Beyond the information provided in this section, the full impact of the COVID-19 pandemic on the economy of the City and its residents (including the owners of the Parcels and Lots within the Lakeshore East Project Site), the collection of Assessments, or on the completion of the Lakeshore East Project, is unknown at this time.

Due to the evolving nature of the COVID-19 outbreak and the federal, State and local responses, the long-term impacts of the COVID-19 crisis are unknown. The City cannot predict the scope or duration of the COVID-19 pandemic and/or the extent to which the COVID-19 pandemic may disrupt the local, State, national or global economy, or whether and to what degree any such disruption may adversely impact the collection of Assessments.

The information in this section is current as of the date of this Limited Offering Memorandum. Because of the evolving nature of the circumstances relating to the COVID-19 pandemic described herein, it is very likely those circumstances will quickly continue to change. Prospective investors should assume that the restrictions and limitations related to the COVID-19 pandemic, and the current upheaval to the national and global economies, will continue at least over the near term and that any economic recovery may be prolonged.

### **Cyber Attacks**

Various Cook County government offices, including, but not limited to the Cook County Treasurer; Cook County Collector and the Cook County Recorder of Deeds may rely on IT systems to keep records and manage Assessment collections and the enforcement of Assessment delinquencies. Likewise, the Servicer and the Trustee rely on their own IT systems to keep records and manage the collection of Assessments. IT systems are subject to, and have increasingly become victims of computer viruses, cyber-attacks by hackers (such as malware or ransomware attacks), or breaches due to employee error or malfeasance. To the extent that such cyber-attacks continue to take place, there is the risk that the ability of any such government offices, the Servicer and the Trustee to collect Assessments, enforce Assessment delinquencies, keep records and otherwise perform their obligations may be negatively impacted.

### **Postponement of 2018 Tax Delinquent Sale of Real Properties in Cook County**

On March 24, 2020, the office of Cook County Treasurer Maria Pappas (the "Cook County Treasurer") announced that the office of Cook County Treasurer had presented an emergency motion before

the Circuit Court of Cook County, Illinois to postpone the annual sale of delinquent real property taxes and special assessments in Cook County eligible for sale due to delinquent tax year 2018 property taxes (including, without limitation, general property taxes, back taxes, etc.) and/or delinquent special assessments, including the Assessments (the "2018 Tax Sale"). In her emergency motion, the Cook County Treasurer asked for the postponement of the 2018 Tax Sale to protect the health and safety of the residents of Cook County in light of the COVID-19 pandemic. The 2018 Tax Sale was scheduled to begin on May 8, 2020.

The Circuit Court of Cook County granted the emergency motion and issued an order postponing the 2018 Tax Sale until such time as the Circuit Court orders the 2018 Tax Sale to proceed. While the 2018 Tax Sale is postponed, the amount of delinquent taxes and special assessments will continue to be charged 1.5 percent interest per month as required by State law. The City cannot predict for how long the 2018 Tax Sale will be postponed. As of the date of this Limited Offering Memorandum, with respect to the Lakeshore East Project SAA, the total levy delinquencies reported to Cook County by the Servicer for tax year 2018 is \$101,741.88 (See "SPECIAL ASSESSMENT LEVY AND COLLECTIONS" herein). The postponement of the 2018 Tax Sale due to the Covid-19 pandemic and any future postponement of future sales of delinquent sales of real properties estate taxes and assessments in Cook County may materially impact the City's ability to make full and punctual payments of debt service on the Bonds. The City does not know when the Circuit Court will order the resumption of the 2018 Tax Sale or any future sales of delinquent real property taxes and assessments in Cook County.

### **UNDERWRITING**

The Underwriter, Loop Capital Markets LLC, has agreed to purchase the Bonds from the City for reoffering to a limited number of sophisticated investors subject to certain conditions, at an aggregate purchase price of \$\_\_\_\_\_, which reflects an Underwriting Discount of \$\_\_\_\_\_. Under the bond purchase agreement between the City and the Underwriter (the "Bond Purchase Agreement"), the Underwriter is obligated to purchase all of the Bonds if any are purchased. The obligation of the Underwriter to make such purchase is subject to certain conditions set forth in the Bond Purchase Agreement. The Underwriter may change the prices and other terms with respect to the offer and sale of the Bonds from time to time after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering price set forth on the cover page of this Limited Offering Memorandum, including sales to dealers.

### **LEGAL OPINIONS**

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the approving legal opinion of Foley & Lardner, LLP, Chicago, Illinois and Charity & Associates, P.C., Chicago, Illinois, Co-Bond Counsel. See APPENDIX C — Co-Bond Counsel Opinion. Certain legal matters will be passed upon for the Underwriter by its Counsel, Neal & Leroy, LLC, Chicago, Illinois; for the City by Burke, Warren, MacKay & Serritella, P.C., Chicago, Illinois, Cotillas & Associates, Chicago, Illinois, and its Corporation Counsel.

### **TAX EXEMPTION**

In the opinion of Co-Bond Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") and is not a specific preference item for purposes of the alternative minimum tax. Interest on the Bonds is not exempt from State of Illinois income taxes.



Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax exempt interest received, and a purchaser's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium property allocable to such purchaser. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent property allocable to each Bondholder, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bond on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bond to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequence of ownership of Bonds with original issue discount, including the treatment of purchasers who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bond was sold to the public.

Section 103 of the Code imposes various restrictions, conditions and requirements relating to exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The City has covenanted to comply with certain restrictions designed to ensure that interest on the Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the original issue date of the Bonds. The opinions of Co-Bond Counsel assumes compliance with these covenants. Co-Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the Bonds may adversely affect the value of or the tax-exempt status of interest on the Bonds. Further, Co-Bond Counsel does not give assurance that pending or further legislation or amendments to the Code, if enacted into law, will not adversely affect the value of or the tax exempt status of interest on the Bonds. Beneficial Owners are encouraged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Certain requirements and procedures contained or referred to in the Trust Indenture, the Bond Ordinance, the Tax Agreement and other relevant documents may be changed and certain actions (including, without limitation, defeasance of the Bonds) may be taken or omitted under the circumstance, subject to the terms and conditions set forth in such documents. Co-Bond Counsel expresses no opinion as to any Bond or the interest thereon if any such change occurs or action is taken or omitted upon advice or approval of bond counsel other than Co-Bond Counsel.

Although Co-Bond Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, the Bonds may otherwise affect a Beneficial Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the

Beneficial Owner's other items of income or deduction. Co-Bond Counsel expresses no opinion regarding any such other tax consequences.

No assurance can be given that any future legislation or clarifications or amendments to the Code, if enacted into law, will not cause the interest on the Bonds to be subject, directly or indirectly, to federal or state income taxation, or otherwise prevent the Bondholders from realizing the full current benefit of the tax status of the interest thereon. Further, no assurance can be given that any such future legislation, or any actions of the IRS, including, but not limited to, selection of the Bonds for audit examination, or the course or result of any examination of the Bonds, or other bonds which present similar tax issues, will not affect the market price for the Bonds.

### **CONTINUING DISCLOSURE**

The Bonds are not subject to the continuing disclosure requirements imposed by Rule 15c2-12 of the U.S. Securities and Exchange Commission, however, the City, the Developer, the Servicer and the Trustee (collectively, the Developer, the Servicer and the Trustee to be referred to as the "Disclosing Parties") shall voluntarily enter into a Continuing Information Agreement ("CIA"). Pursuant to the CIA, the Disclosing Parties shall covenant to provide annually certain Annual Financial Information (as defined in the CIA) Other Developer Information (as defined in the CIA); Reportable Events Related to the Bonds (as defined in the CIA) and the City shall agree to provide the City Disclosure (as defined in the CIA). See APPENDIX E – "Continuing Information Agreement".

### **LIMITED OFFERING**

The Bonds are being offered only to sophisticated investors who will be required to execute an Investor Letter in the form attached hereto as APPENDIX F. Each prospective purchaser of the Bonds is being furnished a copy of this Limited Offering Memorandum, together with any supplements to this Limited Offering Memorandum. In addition, each prospective purchaser is hereby offered the opportunity, prior to purchasing any Bonds and at any time the Bonds are outstanding, to ask questions of, and receive answers from the Underwriter concerning the terms and conditions of the offering, and to obtain any additional relevant information, to the extent either possesses the same or can acquire it without unreasonable effort or expense. Inquiries concerning additional information should be directed in writing to the Underwriter at Loop Capital Markets LLC, 111 West Jackson Blvd., Suite 1901, Chicago, Illinois 60604, Attention: Municipal Bond Department.

### **FINANCIAL ADVISOR**

The City has engaged PFM Financial Advisors LLC, as financial advisor (the "Financial Advisor") in connection with the issuance and sale of the Bonds. Except as set forth under the caption "SECURITY AND SOURCE OF PAYMENT FOR THE BONDS — General," the Financial Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Limited Offering Memorandum.

### **NO LITIGATION**

At the time of delivery of and payment for the Bonds, the City will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body, pending with respect to which the City has been served with process or is otherwise aware, or, to the knowledge of the officer of the City executing such certificate, threatened against the City affecting the existence of the City, the Assessments or the titles of its officers to their respective offices or seeking to restrain or to enjoin the sale or delivery of the Bonds, the application of the proceeds thereof in

accordance with the Ordinance or the Trust Indenture, or the collection or application of any revenues provided for the payment of the Bonds, or in any way contesting or affecting the validity or enforceability of the Bonds, the Ordinance, the Trust Indenture, the Servicing Agreement or any action of the City contemplated by any of the said documents, or the collection or application of any revenues provided for the payment of the Bonds, or in any way contesting the completeness or accuracy of the Ordinance or any amendment or supplement hereto, or contesting the powers of the City contemplated by any of said documents, nor, to the knowledge of the officer of the City executing such certificate, is there any basis therefor.

### **NO RATING**

The City has not made, and does not currently contemplate making, an application to any rating agency for the assignment of a rating to the Bonds.

### **MISCELLANEOUS**

The references, excerpts, and summaries of documents and statutes contained in this Limited Offering Memorandum do not purport to be complete statements of the provisions of such documents and statutes, and reference is made to all such documents and statutes for full and complete statements of their terms and provisions.

The estimates, assumptions, statistical and financial information, and all other information contained in this Limited Offering Memorandum have been compiled from official and other sources believed to be reliable; however, none of such estimates, assumptions, or information is guaranteed by the City, the Developer, or the Underwriter as to completeness or accuracy.

Any statement made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, is set forth as such and not as a representation of fact; no representation is made that any of the estimates contained herein will be realized. The information and expressions of opinion contained herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any offer or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the Developer since the date hereof.

### **AUTHORIZATION**

By an ordinance adopted on \_\_\_\_\_, 2021 by the City Council of the City of Chicago this Limited Offering Memorandum has been duly authorized for execution and delivery, and for distribution to prospective purchasers and the Underwriter.

CITY OF CHICAGO

By \_\_\_\_\_  
Jennie Huang Bennett, Chief Financial Officer

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APPENDIX A

TRUST INDENTURE

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**APPENDIX B**

**Servicing Agreement**

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## APPENDIX C

### Co-Bond Counsel Opinion

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## APPENDIX D

### BOOK-ENTRY ONLY SYSTEM

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## INFORMATION CONCERNING DTC

The following information concerning DTC and the Book-Entry System has been obtained from DTC. The City take no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each Bond of like tenor as to series, type, maturity, interest rate and redemption provisions in the aggregate principal amount of such Bond, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co, or such other name as may be requested by an



authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of a maturity of a subseries of Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments (including redemption proceeds) on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest (including redemption proceeds) to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, certificates for the affected Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates for the Bonds will be printed and delivered.

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APPENDIX E

CONTINUING INFORMATION AGREEMENT

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**APPENDIX F**

**INVESTOR LETTER**

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## Exhibit C

EXHIBIT C

§ \_\_\_\_\_  
CITY OF CHICAGO, ILLINOIS  
SPECIAL ASSESSMENT IMPROVEMENT BONDS, REFUNDING SERIES 2021  
(LAKESHORE EAST PROJECT)

FIRST SUPPLEMENTAL SERVICING AGREEMENT

THIS FIRST SUPPLEMENTAL SERVICING AGREEMENT (this “**First Supplemental Servicing Agreement**”) dated as of \_\_\_\_\_ 1, 2021, is entered into by The Bank of New York Mellon, as successor to BNY Asset Solutions LLC (the “**Servicer**”), the City of Chicago (the “**City**”), a municipality and home rule unit of local government of the State of Illinois (the “**State**”), and The Bank of New York Mellon Trust Company, N.A., as successor Trustee to BNY Midwest Trust Company (the “**Trustee**”), under the Trust Indenture dated as of December 1, 2002 (the “**Original Indenture**”), as supplemented and amended by that certain First Supplemental Trust Indenture between the City and the Trustee dated as of \_\_\_\_\_ 1, 2021 (the “**Bond Indenture**” and together with the Original Indenture, the “**Indenture**”) between the City and the Trustee and supplements and amends the Servicing Agreement dated as of December 1, 2002 (the “**Original Agreement**”) entered into in connection with the Prior Bonds (as hereinafter defined).

WITNESSETH:

**WHEREAS**, the City is a municipal corporation and home rule unit of the State authorized pursuant to Article 9 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/9-2, and the Special Assessment Supplemental Bond and Procedures Act, 50 Illinois Compiled Statutes 460 (the “**Act**”), as modified and supplemented by Section 075 of Title 2, Chapter 102 of the Municipal Code of Chicago (the “**Municipal Code**”), to undertake a local improvement by special assessment and to issue special assessment improvement bonds to finance the cost of such local improvement; and

**WHEREAS**, on June 19, 2002, the City Council of the City (the “**City Council**”) adopted an Ordinance of the City (the “**Special Assessment Ordinance**”) which was published in the Journal of Council Proceedings (the “**Journal**”) for such date at pages 88043 through 88202, inclusive, providing for the acquisition and construction of a local improvement (the “**Improvement**”) as described and defined in the Special Assessment Ordinance, the cost thereof to be paid by a special assessment (the “**Assessment**”), as described in a petition filed by the City in the Circuit Court, Cook County, Illinois, County Department, County Division (the “**Court**”) for the levy of the Assessment to pay the cost of the Improvement (the “**Proceeding**”); and

**WHEREAS**, all notices required by the Act in connection with the Improvement and the Proceeding were given; and

**WHEREAS**, on November 12, 2002, after first resolving all legal and benefit objections, the Court entered its order of confirmation of the Assessment (the “**Confirmation Order**”) in the Proceeding; 30 days passed since the entry of the Confirmation Order; and no appeal of the Confirmation Order was taken; and

**WHEREAS**, to most advantageously provide for the payment of a portion of the costs of the Improvement, the City issued its \$58,933,000 aggregate original principal amount of Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) (the "**Prior Bonds**") for such purpose; and

**WHEREAS**, the City has determined it is advantageous to provide for the refunding of the Prior Bonds to achieve debt service savings and the City Council have approved the issuance of \$\_\_\_\_\_ aggregate principal amount of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) the ("**Series 2021 Bonds**") for the purpose of refunding the Prior Bonds; and

**WHEREAS**, the Series 2021 Bonds will be payable from the Assessment; and

**WHEREAS**, the Series 2021 Bonds will be secured by the Trust Estate as defined in the Indenture, including (i) amounts on deposit in a Debt Service Reserve Account and a General Reserve Fund, and (ii) the Special Assessment Lien; and

**WHEREAS**, the City deems it desirable to enter into this First Supplemental Servicing Agreement for the purpose of amending the Original Agreement as provided herein and for having an agent assist in the billing and collecting of Assessments and amending from time to time the Roll (as defined in the Proceeding); and

**WHEREAS**, the execution and delivery of this First Supplemental Servicing Agreement has been in all respects duly and validly authorized by ordinance duly adopted and approved by the City Council;

**NOW THEREFORE**, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, the City, the Servicer and the Trustee agree as follows:

**Section 1.     Amendment to Definitions.**

(a)     The following defined terms set forth in Section 1.1 of the Original Agreement are hereby amended and restated to read as follows:

      "**Bonds**" means the \$\_\_\_\_\_ aggregate principal amount of Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project).

      "**Indenture**" means the Trust Indenture, dated as of December 1, 2002, as supplemented and amended by that certain First Supplemental Trust Indenture dated as of \_\_\_\_\_, 2021 between the City and the Trustee, to secure the Bonds.

      "**Servicer Fee**" means the amount payable to the Servicer on the dates and in the amounts set forth in the schedule attached to the First Supplemental Servicing Agreement as Exhibit A.

(b)     The following defined term is hereby added to Section 1.1 of the Original Agreement:

**“First Supplemental Servicing Agreement”** means the First Supplemental Servicing Agreement dated as of \_\_\_\_\_ 1, 2021, among the City, the Trustee and the Servicer, amending and supplementing the Servicing Agreement dated as of December 1, 2002.

**Section 2. Amendments to Section 2.2 Purpose of this Agreement; Summary of Duties:**

(a) Section 2.2 (G) of the Servicing Agreement is hereby deleted and replaced with “Reserved”.

(b) Section 2.2 (I) of the Servicing Agreement is hereby amended and restated to read as follows:

Parties will undertake such actions and execute and deliver such documents as are necessary to release the Special Assessment Lien with respect to each Lot when the amount of any Prepayment has been made in full. Servicer shall prepare payoff statement and advise the Trustee, the Assessee and the City. City shall prepare and execute the Release of Lien, and the Owner shall record the Release of Lien.

(c) A new Section 2.2 (J) is hereby added to the Servicing Agreement to read as follows:

Annually on or before December 1, the Servicer shall update the information contained in the chart entitled “Special Assessment Levy and Collections” in the same form as set forth in the Limited Offering Memorandum and submit the form to the Trustee for further dissemination.

**Section 3. Amendment to Section 2.7 Servicer’s Compensation.** Section 2.7 of the Original Agreement is hereby amended and restated to read as follows:

“As compensation for the performance of its obligations under this Agreement the Servicer shall be entitled to receive the Servicer Fee. The Servicer Fee shall be paid on the dates and in the amounts set forth in Exhibit A to the First Supplemental Servicing Agreement and shall terminate on the first to occur of (i) the release of the lien securing the last Lot Assessment or (ii) the defeasance of the Bonds in accordance with the Indenture. The Servicer Fee shall be paid by the Trustee to the Servicer from the Funds specified and in the priority as set forth in the Indenture.”

**Section 4. Amendment to Section 6.8 Notices.** Section 6.8 of the Original Agreement is hereby amended and restated to read as follows:

**Section 6.8. Notices.** Except as otherwise provided herein, all notices, requests, demands and other communications required or permitted under this Agreement shall be deemed to have been duly given if personally delivered in writing or mailed, first class, postage prepaid, as follows:

- A. If to the City: City of Chicago, Department of Finance  
121 North LaSalle Street, Room 700  
Chicago, Illinois 60602  
Attention: Chief Financial Officer
- 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
- B. If to the Trustee: The Bank of New York Mellon Trust Company  
2 North LaSalle Street, Suite 1020  
Chicago, Illinois 60602  
Attention: Corporate Trust Department
- C. If to the Servicer: The Bank of New York Mellon  
2001 Bryan Street, 10<sup>th</sup> Floor  
Dallas, Texas 75201  
Attention: Commercial Servicing Group

or to such other person or addresses as the respective party hereafter designates in writing to the other parties hereto. Notices personally delivered will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated as of ten (10) business days after mailing.

**Section 5. Amendments to Article 4.** The following additional representations, warranties and covenants are hereby added to the end of Article 4 of the Original Agreement to read as follows:

**Section 4.4. Compliance with All Laws Generally**

Servicer must observe and comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later and whether or not they appear in this Agreement, including those set forth in this Section 4.4, and Servicer must pay all taxes and obtain all licenses, certificates and other authorizations required by them. Servicer must require all Subcontractors to do so, also. Further, Servicer must execute an Economic Disclosure Statement and Affidavit (“EDS”) in the form attached to this Agreement as Exhibit B, and such EDS is incorporated by reference as though fully set forth in this Agreement. Notwithstanding acceptance by the City of the EDS, Servicer’s failure in the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Servicer must promptly update its EDS(s) on file with the City whenever any information or response provided in the EDS(s) is no longer complete and accurate. Servicer agrees that Servicer’s failure to maintain current throughout the term and any extensions of the term, the disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of



the Municipal Code, as such is required under Sec. 2-154-020, shall constitute an event of default.

Notwithstanding anything in this Agreement to the contrary, references to a statute or law are considered to be a reference to (i) the statute or law as it may be amended from time to time; (ii) all regulations and rules pertaining to or promulgated pursuant to the statute or law; and (iii) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

(a) *City Nondiscrimination Requirements.* Servicer must comply with applicable federal, state, and local laws and related regulations prohibiting discrimination against individuals and groups.

(i) Federal Requirements

Servicer must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions, or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Servicer's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Servicer must comply with, and the procedures Servicer utilizes and the Services Servicer provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. sec. 2000e *et seq.* (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000e note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. Sections 6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. Sections 621-34; Rehabilitation Act of 1973, 29 U.S.C. Sections 793-794 (1981); Americans with Disabilities Act, 42 U.S.C. Section 12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990); and all other applicable federal statutes, regulations and other laws.

(ii) State Requirements

Servicer must comply with, and the procedures Servicer utilizes and the Services Servicer provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code Section 750 Appendix A. Furthermore, Servicer must comply with the Public Works Employment Discrimination Act, 775

ILCS 10/0.01 *et seq.* (1990), as amended, and all other applicable state statutes, regulations and other laws.

(iii) City Requirements

Servicer must comply with, and the procedures Servicer utilizes and the Services Servicer provides under this Agreement must comply with, the Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago (1990), as amended, and all other applicable City ordinances and rules.

(b) Subcontractors

Servicer must incorporate all of this Section 4.4 by reference in all agreements entered into with any furnisher of services or Subcontractors that may provide any labor or services in connection with this Agreement. Further, Servicer must furnish and must cause each of its Subcontractor(s) to furnish such reports and information as requested by the federal, state, and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

(c) Inspector General

It is the duty of any bidder, proposer or Servicer, all Subcontractors, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners and employees of any bidder, proposer, Servicer, any contractor, all Subcontractors or such applicant to cooperate with the Legislative Inspector General or the Inspector General in any investigation or hearing, if applicable, undertaken pursuant to Chapters 2-55 or 2-56, respectively, of the Municipal Code. Servicer understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code. All subcontracts must inform Subcontractors of the provision and require understanding and compliance with it.

It is the duty of the Servicer, Subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of the Servicer, Subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation undertaken pursuant to Chapter 2-55 of the Municipal Code. Servicer represents that it understands and will abide by all provisions of Chapter 2-55 of the Municipal Code and that Servicer will inform Subcontractors of this provision and require their compliance.

(d) Business Relationships with Elected Officials

Pursuant to Section 2-156-030(b) of the Municipal Code, it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected official has a business relationship, or to participate in

any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a business relationship. **Violation of Section 2-156-030(b) by any elected official with respect to this Agreement is grounds for termination of this Agreement.** The term business relationship is defined as set forth in Section 2-156-080 of the Municipal Code.

Section 2-156-080 defines a “**business relationship**” as any contractual or other private business dealing of an official, or his or her spouse, or of any entity in which an official or his or her spouse has a financial interest, with a person or entity which entitles an official to compensation or payment in the amount of \$2,500 or more in a calendar year; provided, however, a financial interest shall not include: (i) any ownership through purchase at fair market value or inheritance of less than one percent of the share of a corporation, or any corporate subsidiary, parent or affiliate thereof, regardless of the value of or dividends on such shares, if such shares are registered on a securities exchange pursuant to the Securities Exchange Act of 1934, as amended (the “1934 Act”); (ii) the authorized compensation paid to an official or employee for his office or employment; (iii) any economic benefit provided equally to all residents of the City; (iv) a time or demand deposit in a financial institution; or (v) an endowment or insurance policy or annuity contract purchased from an insurance company. Any contractual or other private business dealings shall not include any employment relationship of an official’s spouse with an entity when such spouse has no discretion concerning or input relating to the relationship between that entity and the City.

(e) *Chicago “Living Wage” Ordinance*

(i) Section 2-92-610 of the Municipal Code provides for a living wage for certain categories of workers employed in the performance of City contracts, specifically non-City employed security guards, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers (“**Covered Employees**”). Accordingly, pursuant to Section 2-92-610 and regulations promulgated under it:

(x) If Servicer has 25 or more full-time employees, and

(y) If at any time during the performance of this Agreement, Servicer and/or any Subcontractor or any other entity that provides any portion of the Services (collectively “**Performing Parties**”) uses 25 or more full-time security guards, or any number of other full-time Covered Employees, then

(z) Servicer must pay its Covered Employees, and must ensure that all other Performing Parties pay their Covered Employees, not less than the minimum hourly rate as determined in accordance with this provision (the “**Base Wage**”) for all Services performed under this Agreement.

(ii) Servicer's obligation to pay, and to ensure payment of, the Base Wage will begin at any time during the term of this Agreement when the conditions set forth in (i)(x) and (i)(y) above are met, and will continue until the end of the term of this Agreement.

(iii) As of July 1, 2020, the Base Wage is \$14.15 per hour, and each July 1 thereafter, the Base Wage will be adjusted using the most recent federal poverty guidelines for a family of four as published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. The currently applicable Base Wage is available from the Department of Procurement Services. At all times during the term of this Agreement, Servicer and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Servicer and all other Performing Parties must pay the prevailing wage rates.

(iv) Servicer must include provisions in all subcontracts requiring its Subcontractors to pay the Base Wage to Covered Employees. Servicer agrees to provide the City with documentation acceptable to the Department demonstrating that all Covered Employees, whether employed by Servicer or by a Subcontractor, have been paid the Base Wage, upon the City's request for such documentation. The City may independently audit Servicer and/or Subcontractors to verify compliance with this section. Failure to comply with the requirements of this section will be an event of default under this Agreement, and further, failure to comply may result in ineligibility for any award of a City contract or subcontract for up to 3 years.

(v) Not-for-Profit Corporations: If Servicer is a corporation having federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is recognized under Illinois not-for-profit law, then the provisions of subsections (i) through (iv) above do not apply.

*(f) Prohibition on Certain Contributions*

Servicer agrees that Servicer, any person or entity who directly or indirectly has an ownership or beneficial interest in Servicer of more than 7.5 percent ("**Owners**"), spouses and domestic partners of such Owners, Servicer's subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any subcontractor of more than 7.5 percent ("**Sub-owners**") and spouses and domestic partners of such Sub-owners (Servicer and all the other preceding classes of persons and entities are together, the "**Identified Parties**"), shall not make a contribution of any amount to the Mayor of the City of Chicago ("**Mayor**") or to his political fundraising committee (i) after execution of this Agreement by Servicer, (ii) while this Agreement or any Other Contract (as defined herein) is executory, (iii) during the term of this Agreement or any Other Contract between Servicer and the City, or (iv) during any period while an extension of this Agreement or any Other Contract is being sought or negotiated.

Servicer represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached Servicer or the date Servicer approached the City, as applicable, regarding the formulation of this Agreement, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

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

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

Servicer agrees that a violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Agreement, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Agreement, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Servicer violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Agreement resulting from this specification, the Department may reject Servicer's bid.

For purposes of this provision:

"Bundle" means to collect contributions from more than one source which are then delivered by one person to the Mayor or to his political fundraising committee.

"Other Contract" means any other agreement with the City of Chicago to which Servicer is a party that is (i) formed under the authority of chapter 2-92 of the Municipal Code of Chicago; (ii) entered into for the purchase or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved or authorized by the city council.

"Contribution" means a "political contribution" as defined in Chapter 2-156 of the Municipal Code of Chicago, as amended.

Individuals are "Domestic Partners" if they satisfy the following criteria:

- (A) they are each other's sole domestic partner, responsible for each other's common welfare; and
- (B) neither party is married, as marriage is defined under Illinois law; and
- (C) the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- (D) each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- (E) two of the following four conditions exist for the partners:
  - 1. The partners have been residing together for at least 12 months.
  - 2. The partners have common or joint ownership of a residence.
  - 3. The partners have at least two of the following arrangements:
    - a. joint ownership of a motor vehicle;
    - b. a joint credit account;
    - c. a joint checking account;
    - d. a lease for a residence identifying both domestic partners as tenants.
  - 4. Each partner identifies the other partner as a primary beneficiary in a will.

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

*(g) Deemed Inclusion*

Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

*(h) Ineligibility to do Business with City*

Failure by the Servicer or any Controlling Person (defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code shall render this Agreement voidable or subject to termination, at the option of the Chief Financial Officer. Servicer agrees that Servicer's failure to maintain eligibility (or failure by Controlling Persons to maintain eligibility) to do business with the City in violation of Section 1-23-030 of the Municipal Code shall constitute an event of default.

**Section 4.5 Special Conditions**

(a) *Warranties and Representations*

In connection with signing and carrying out this Agreement, Servicer:

(i) warrants that Servicer is appropriately licensed under Illinois law to perform the Services required under this Agreement and will perform no Services for which a professional license is required by law and for which Servicer is not appropriately licensed;

(ii) warrants it is financially solvent; it and each of its employees, agents and Subcontractors of any tier are competent to perform the Services required under this Agreement; and Servicer is legally authorized to execute and perform or cause to be performed this Agreement under the terms and conditions stated in this Agreement;

(iii) warrants that it will not knowingly use the services of any ineligible contractor or Subcontractor for any purpose in the performance of its Services under this Agreement;

(iv) warrants that Servicer and its Subcontractors are not in default at the time this Agreement is signed, and have not been deemed by the Department to have, within 5 years immediately preceding the date of this Agreement, been found to be in default on any contract awarded by the City;

(v) represents that it has carefully examined and analyzed the provisions and requirements of this Agreement; it understands the nature of the Services required; from its own analysis it has satisfied itself as to the nature of all things needed for the performance of this Agreement; this Agreement is feasible of performance in accordance with all of its provisions and requirements, and Servicer warrants it can and will perform, or cause to be performed, the Services in strict accordance with the provisions and requirements of this Agreement;

(vi) represents that Servicer and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of Section 2-92-320 of the Municipal Code, and in connection with it, and additionally in connection with the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-1;

(vii) acknowledges that Servicer and its Subcontractors understand and will abide by all provisions of Chapter 2-26-010 *et seq.* of the Municipal Code relating to the Office of Compliance;

(viii) acknowledges that any certification, affidavit or acknowledgment made under oath in connection with this Agreement is made under penalty of perjury and, if false, is also cause for termination under Sections 5.1 of this Agreement;

(ix) warrants and represents that neither Servicer nor an Affiliate of Servicer (as defined below) appears on the Specially Designated Nationals List, the Denied Persons List, the unverified List, the Entity List, or the Debarred List as maintained by the Office

of Foreign Assets Control of the U.S. Department of the Treasury or by 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. "Affiliate of Servicer" means a person or entity that directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with Servicer. A person or entity will be deemed to be controlled by another person or entity if it is controlled in any manner whatsoever that results in control in fact by that other person or entity (either acting individually or acting jointly or in concert with others) whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise; and

#### **Section 4.6 Ethics**

(a) In addition to the foregoing warranties and representations, Servicer warrants:

(i) no officer, agent or employee of the City is employed by Servicer or has a financial interest directly or indirectly in this Agreement or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code.

(ii) no payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Subcontractors to Servicer or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

(b) Servicer further acknowledges that any Agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156 is voidable as to the City

#### **Section 4.7 EDS / Certification Regarding Suspension and Debarment**

Servicer certifies, as further evidenced in the EDS attached as Exhibit B, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Servicer further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Servicer or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

**Section 6. Amendment to Exhibit B.** Exhibit B to the Original Agreement is hereby replaced with Exhibit B attached to this First Supplemental Servicing Agreement.

**Section 7. Representations and Warranties.** The Servicer hereby makes the following representations and warranties as of the date of issuance of the Series 2021 Bonds, which shall survive the date hereof:



(a) The Servicer has been duly organized and is validly existing and in good standing as a New York state banking organization, with requisite corporate power and authority to perform its obligations under this First Supplemental Servicing Agreement, and to transact the business in which it is now engaged.

(b) The First Supplemental Servicing Agreement has been duly authorized, executed and delivered by the Servicer and constitutes the valid and legally binding obligation of the Servicer enforceable against the Servicer in accordance with its terms, subject as to enforcement to any bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting creditors' rights generally and to general principles of equity regardless of whether enforcement is sought in a court of equity or law.

(c) Each of the representations and warranties of the Servicer set forth in Article 3 of the Original Agreement remains true and correct as of the date of this First Supplemental Servicing Agreement.

(d) No default has occurred by the Servicer under the Original Agreement.

**Section 8. Ratification.** Except as specifically amended hereby, the Original Agreement shall continue in full force and effect in accordance with its terms. Each of the Servicer and Trustee hereby specifically confirms and ratifies its respective obligations, covenants and consents under the Original Agreement, as hereby modified. Except as expressly provided herein, the execution and delivery of this First Supplemental Servicing Agreement shall not: (i) constitute an extension, modification, or waiver of any aspect of the Original Agreement, or any right or remedy thereunder; (ii) establish a course of dealing between the City and the Servicer or the Trustee; or (iii) give rise to any defenses or counterclaims to the City's right to enforce its rights and remedies under the Original Agreement.

**Section 9. Headings.** Section headings in this First Supplemental Servicing Agreement are included herein for convenience of reference only and shall not constitute a part of this First Supplemental Servicing Agreement for any other purpose.

**Section 10. Illinois Law.** This Amendment is governed by the laws of the State of Illinois.

**Section 11. Counterparts.** This First Supplemental Servicing Agreement may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

**Section 12. Third-Party Beneficiary.** The owners of the Series 2021 Bonds are express third-party beneficiaries to this First Supplemental Servicing Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the City, the Servicer and the Trustee have caused this First Supplemental Servicing Agreement to be duly executed by their respective officers thereunto duly authorized as of the date and year first above written.

CITY OF CHICAGO

By \_\_\_\_\_  
Jennie Huang Bennett  
Chief Financial Officer

THE BANK OF NEW YORK MELLON, as  
successor to BNY Asset Solutions LLC, as  
Servicer

By \_\_\_\_\_  
Name:  
Title:

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee

By \_\_\_\_\_  
Name:  
Title:

## Exhibit A

<b>Supplemental Indenture Closing Fee</b>	<b>\$10,000 One Time Charge</b>
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This fee pertains to amounts due for work performed by the Servicer in preparation for and in connection with the closing of the First Supplemental Indenture. This fee will be paid to the Servicer as of the closing date of the First Supplemental Indenture

<b>Lot Assessment Account Servicing Fee for Payment Notices</b>	<b>The greater of \$35,000 per semi-annual billing period or a fee calculated on the following charges per billing statement period</b>
<b>Semi-annual Statement</b>	<b>\$20.00 per Statement</b>
<b>Notice of Delinquent Assessment</b>	<b>\$10.00 per Statement</b>

This fee will be paid semi-annually on each June 1 and December 1 commencing on June 1, 2021. Servicer may increase this fee at five year intervals beginning March 1, 2025 for increases in the Consumer Price Index during the preceding five-year period.

<b>Account Adjustment Fee</b>	<b>\$125 per Tax Account</b>
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Servicer will be paid a fee for each addition and deletion of a tax account to compensate it for adjusting its servicing system to record such additions and deletions as the Project's original eighteen (18) parcels are subdivided into new, additional tax accounts.

<b>Tax Certificates/Prepayments/Releases</b>	<b>Market Rate</b>
<b>Prepayment Payoff Statement Revision Fee</b>	<b>\$25 per revised payoff statement</b>

Servicer may charge Lot owners a market-rate fee equivalent to that charged by taxing authorities and title companies for producing written tax certificates and/or special assessment full or partial prepayment statements to facilitate taxpayers' sales or refinancing of Lots, or full or partial prepayments of assessments and accompanying releases. Servicer will periodically survey the Chicago market to ensure that tax certificates, payoff statements and releases are being charged at a market rate.

<b>Out-of-Pocket Reimbursements</b>	<b>At Cost</b>
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Servicer shall be reimbursed for the following:

- Reasonable and necessary legal and travel expenses
- Copying and delivery charges for copies of documents or reports requested by the City, County or Trustee other than those that are required to be delivered under Section 2.2.A-J
- All charges associated with the Lockbox Account

If the fees and/or reimbursements cannot be paid when due as a result of insufficient funds in the Making and Levying Fund, such unpaid amounts will accrue interest from the date when due at the Wall Street Journal Prime Rate and be paid when funds are next available in the Making and Levying Fund.

Exhibit B

CITY OF CHICAGO  
ECONOMIC DISCLOSURE STATEMENT  
AND AFFIDAVIT

SECTION I -- GENERAL INFORMATION

A. Legal name of the Disclosing Party submitting this EDS. Include d/b/a/ if applicable:

\_\_\_\_\_

Check ONE of the following three boxes:

Indicate whether the Disclosing Party submitting this EDS is:

1. ☐ the Applicant

OR

2. ☐ a legal entity currently holding, or anticipated to hold within six months after City action on the contract, transaction or other undertaking to which this EDS pertains (referred to below as the "Matter"), a direct or indirect interest in excess of 7.5% in the Applicant. State the Applicant ☐ legal name:

\_\_\_\_\_ OR

3. ☐ a legal entity with a direct or indirect right of control of the Applicant (see Section II(B)(1)) State the legal name of the entity in which the Disclosing Party holds a right of control:

\_\_\_\_\_

B. Business address of the Disclosing Party:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_

C. Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

\_\_\_\_\_

D. Name of contact person: \_\_\_\_\_

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

\_\_\_\_\_

F. Brief description of the Matter to which this EDS pertains. (Include project number and location of property, if applicable):

\_\_\_\_\_  
\_\_\_\_\_

G. Which City agency or department is requesting this EDS? \_\_\_\_\_

If the Matter is a contract being handled by the City's Department of Procurement Services, please complete the following:

Specification # \_\_\_\_\_ and Contract # \_\_\_\_\_

**SECTION II -- DISCLOSURE OF OWNERSHIP INTERESTS**

**A. NATURE OF THE DISCLOSING PARTY**

1. Indicate the nature of the Disclosing Party:

- |   |  |
|---|--|
| <input type="checkbox"/> Person                                   | <input type="checkbox"/> Limited liability company       |
| <input type="checkbox"/> Publicly registered business corporation | <input type="checkbox"/> Limited liability partnership   |
| <input type="checkbox"/> Privately held business corporation      | <input type="checkbox"/> Joint venture                   |
| <input type="checkbox"/> Sole proprietorship                      | <input type="checkbox"/> Not-for-profit corporation      |
| <input type="checkbox"/> General partnership                      | (Is the not-for-profit corporation also a 501(c)(3))?    |
| <input type="checkbox"/> Limited partnership                      | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Trust                                    | <input type="checkbox"/> Other (please specify)          |
- \_\_\_\_\_

2. For legal entities, the state (or foreign country) of incorporation or organization, if applicable:

\_\_\_\_\_

3. For legal entities not organized in the State of Illinois: Has the organization registered to do business in the State of Illinois as a foreign entity?

☐ Yes ☐ No ☐ Organized in Illinois

**B. IF THE DISCLOSING PARTY IS A LEGAL ENTITY:**

1. List below the full names and titles, if applicable, of: (i) all executive officers and all directors of the entity; (ii) **for not-for-profit corporations**, all members, if any, which are legal entities (if there are no such members, write "no members which are legal entities"); (iii) **for trusts, estates or other similar entities**, the trustee, executor, administrator, or similarly situated party; (iv) **for general or limited partnerships, limited liability companies, limited liability partnerships or joint ventures**, each general partner, managing member, manager or any other person or legal entity that directly or indirectly controls the day-to-day management of the Applicant.

**NOTE:** Each legal entity listed below must submit an EDS on its own behalf.

Name	Title
_____	_____
_____	_____
_____	_____

2. Please provide the following information concerning each person or legal entity having a direct or indirect, current or prospective (i.e. within 6 months after City action) beneficial interest (including ownership) in excess of 7.5% of the Applicant. Examples of such an interest include shares in a corporation, partnership interest in a partnership or joint venture, interest of a member or manager in a

limited liability company, or interest of a beneficiary of a trust, estate or other similar entity. If none, state ☐None.☐

**NOTE:** Each legal entity listed below may be required to submit an EDS on its own behalf.

Name	Business Address	Percentage Interest in the Applicant

### SECTION III -- INCOME OR COMPENSATION TO, OR OWNERSHIP BY, CITY ELECTED OFFICIALS

Has the Disclosing Party provided any income or compensation to any City elected official during the 12-month period preceding the date of this EDS? ☐ Yes ☐ No

Does the Disclosing Party reasonably expect to provide any income or compensation to any City elected official during the 12-month period following the date of this EDS? ☐ Yes ☐ No

If ☐yes☐ to either of the above, please identify below the name(s) of such City elected official(s) and describe such income or compensation:

Does any City elected official or, to the best of the Disclosing Party's knowledge after reasonable inquiry, any City elected official's spouse or domestic partner, have a financial interest (as defined in Chapter 2-156 of the Municipal Code of Chicago (☐MCC☐)) in the Disclosing Party?  
☐ Yes ☐ No

If "yes," please identify below the name(s) of such City elected official(s) and/or spouse(s)/domestic partner(s) and describe the financial interest(s).

### SECTION IV -- DISCLOSURE OF SUBCONTRACTORS AND OTHER RETAINED PARTIES

The Disclosing Party must disclose the name and business address of each subcontractor, attorney, lobbyist (as defined in MCC Chapter 2-156), accountant, consultant and any other person or entity whom the Disclosing Party has retained or expects to retain in connection with the Matter, as well as the nature of the relationship, and the total amount of the fees paid or estimated to be paid. The Disclosing Party is not required to disclose employees who are paid solely through the Disclosing Party's regular payroll. If the Disclosing Party is uncertain whether a disclosure is required under this Section, the Disclosing Party must either ask the City whether disclosure is required or make the disclosure.

Name (indicate whether	Business	Relationship to Disclosing Party	Fees (indicate whether
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retained or anticipated      Address      (subcontractor, attorney,      paid or estimated.) **NOTE:**  
to be retained      lobbyist, etc.)      ☐hourly rate☐ or ☐t.b.d.☐ is  
not an acceptable response.

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(Add sheets if necessary)

☐ Check here if the Disclosing Party has not retained, nor expects to retain, any such persons or entities.

## SECTION V -- CERTIFICATIONS

### A. COURT-ORDERED CHILD SUPPORT COMPLIANCE

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

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

☐ Yes      ☐ No      ☐ No person directly or indirectly owns 10% or more of the Disclosing Party.

If ☐Yes,☐ has the person entered into a court-approved agreement for payment of all support owed and is the person in compliance with that agreement?

☐ Yes      ☐ No

### B. FURTHER CERTIFICATIONS

1. [This paragraph 1 applies only if the Matter is a contract being handled by the City's Department of Procurement Services.] In the 5-year period preceding the date of this EDS, neither the Disclosing Party nor any Affiliated Entity [see definition in (5) below] has engaged, in connection with the performance of any public contract, the services of an integrity monitor, independent private sector inspector general, or integrity compliance consultant (i.e., an individual or entity with legal, auditing, investigative, or other similar skills, designated by a public agency to help the agency monitor the activity of specified agency vendors as well as help the vendors reform their business practices so they can be considered for agency contracts in the future, or continue with a contract in progress).

2. The Disclosing Party and its Affiliated Entities are not delinquent in the payment of any fine, fee, tax or other source of indebtedness owed to the City of Chicago, including, but not limited to, water and sewer charges, license fees, parking tickets, property taxes and sales taxes, nor is the Disclosing Party delinquent in the payment of any tax administered by the Illinois Department of Revenue.

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

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from any transactions by any federal, state or local unit of government;

b. have not, during the 5 years before the date of this EDS, been convicted of a criminal offense, adjudged guilty, or had a civil judgment rendered against them in connection with: obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; a violation of federal or state antitrust statutes; fraud; embezzlement; theft; forgery; bribery; falsification or destruction of records; making false statements; or receiving stolen property;

c. are not presently indicted for, or criminally or civilly charged by, a governmental entity (federal, state or local) with committing any of the offenses set forth in subparagraph (b) above;

d. have not, during the 5 years before the date of this EDS, had one or more public transactions (federal, state or local) terminated for cause or default; and

e. have not, during the 5 years before the date of this EDS, been convicted, adjudged guilty, or found liable in a civil proceeding, or in any criminal or civil action, including actions concerning environmental violations, instituted by the City or by the federal government, any state, or any other unit of local government.

4. The Disclosing Party understands and shall comply with the applicable requirements of MCC Chapters 2-56 (Inspector General) and 2-156 (Governmental Ethics).

5. Certifications (5), (6) and (7) concern:

☐ the Disclosing Party;

☐ any ☐Contractor☐ (meaning any contractor or subcontractor used by the Disclosing Party in connection with the Matter, including but not limited to all persons or legal entities disclosed under Section IV, ☐Disclosure of Subcontractors and Other Retained Parties☐);

☐ any "Affiliated Entity" (meaning a person or entity that, directly or indirectly: controls the Disclosing Party, is controlled by the Disclosing Party, or is, with the Disclosing Party, under common control of another person or entity). Indicia of control include, without limitation: interlocking management or ownership; identity of interests among family members, shared facilities and equipment; common use of employees; or organization of a business entity following the ineligibility of a business entity to do business with federal or state or local government, including the City, using substantially the same management, ownership, or principals as the ineligible entity. With respect to Contractors, the term Affiliated Entity means a person or entity that directly or indirectly controls the Contractor, is controlled by it, or, with the Contractor, is under common control of another person or entity;

☐ any responsible official of the Disclosing Party, any Contractor or any Affiliated Entity or any other official, agent or employee of the Disclosing Party, any Contractor or any Affiliated Entity, acting pursuant to the direction or authorization of a responsible official of the Disclosing Party, any Contractor or any Affiliated Entity (collectively "Agents").

Neither the Disclosing Party, nor any Contractor, nor any Affiliated Entity of either the Disclosing Party or any Contractor, nor any Agents have, during the 5 years before the date of this EDS, or, with respect to a Contractor, an Affiliated Entity, or an Affiliated Entity of a Contractor during the 5 years before the date of such Contractor's or Affiliated Entity's contract or engagement in connection with the Matter:

a. bribed or attempted to bribe, or been convicted or adjudged guilty of bribery or attempting to bribe, a public officer or employee of the City, the State of Illinois, or any agency of the federal government or of any state or local government in the United States of America, in that officer's or employee's official capacity;

b. agreed or colluded with other bidders or prospective bidders, or been a party to any such agreement, or been convicted or adjudged guilty of agreement or collusion among bidders or prospective bidders, in restraint of freedom of competition by agreement to bid a fixed price or otherwise; or



c. made an admission of such conduct described in subparagraph (a) or (b) above that is a matter of record, but have not been prosecuted for such conduct; or

d. violated the provisions referenced in MCC Subsection 2-92-320(a)(4)(Contracts Requiring a Base Wage); (a)(5)(Debarment Regulations); or (a)(6)(Minimum Wage Ordinance).

6. Neither the Disclosing Party, nor any Affiliated Entity or Contractor, or any of their employees, officials, agents or partners, is barred from contracting with any unit of state or local government as a result of engaging in or being convicted of (1) bid-rigging in violation of 720 ILCS 5/33E-3; (2) bid-rotating in violation of 720 ILCS 5/33E-4; or (3) any similar offense of any state or of the United States of America that contains the same elements as the offense of bid-rigging or bid-rotating.

7. Neither the Disclosing Party nor any Affiliated Entity is listed on a Sanctions List maintained by the United States Department of Commerce, State, or Treasury, or any successor federal agency.

8. [FOR APPLICANT ONLY] (i) Neither the Applicant nor any ☐controlling person☐ [see MCC Chapter 1-23, Article I for applicability and defined terms] of the Applicant is currently indicted or charged with, or has admitted guilt of, or has ever been convicted of, or placed under supervision for, any criminal offense involving actual, attempted, or conspiracy to commit bribery, theft, fraud, forgery, perjury, dishonesty or deceit against an officer or employee of the City or any ☐sister agency☐; and (ii) the Applicant understands and acknowledges that compliance with Article I is a continuing requirement for doing business with the City. NOTE: If MCC Chapter 1-23, Article I applies to the Applicant, that Article's permanent compliance timeframe supersedes 5-year compliance timeframes in this Section V.

9. [FOR APPLICANT ONLY] The Applicant and its Affiliated Entities will not use, nor permit their subcontractors to use, any facility listed as having an active exclusion by the U.S. EPA on the federal System for Award Management (☐SAM☐).

10. [FOR APPLICANT ONLY] The Applicant will obtain from any contractors/subcontractors hired or to be hired in connection with the Matter certifications equal in form and substance to those in Certifications (2) and (9) above and will not, without the prior written consent of the City, use any such contractor/subcontractor that does not provide such certifications or that the Applicant has reason to believe has not provided or cannot provide truthful certifications.

11. If the Disclosing Party is unable to certify to any of the above statements in this Part B (Further Certifications), the Disclosing Party must explain below:

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

12. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all current employees of the Disclosing Party who were, at any time during the 12-month period preceding the date of this EDS, an employee, or elected or appointed official, of the City of Chicago (if none, indicate with N/A or none ).

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13. To the best of the Disclosing Party's knowledge after reasonable inquiry, the following is a complete list of all gifts that the Disclosing Party has given or caused to be given, at any time during the 12-month period preceding the execution date of this EDS, to an employee, or elected or appointed official, of the City of Chicago. For purposes of this statement, a "gift" does not include: (i) anything made generally available to City employees or to the general public, or (ii) food or drink provided in the course of official City business and having a retail value of less than \$25 per recipient, or (iii) a political contribution otherwise duly reported as required by law (if none, indicate with "N/A" or "none"). As to any gift listed below, please also list the name of the City recipient.

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### C. CERTIFICATION OF STATUS AS FINANCIAL INSTITUTION

1. The Disclosing Party certifies that the Disclosing Party (check one)

☐ is ☐ is not

a "financial institution" as defined in MCC Section 2-32-455(b).

2. If the Disclosing Party IS a financial institution, then the Disclosing Party pledges:

"We are not and will not become a predatory lender as defined in MCC Chapter 2-32. We further pledge that none of our affiliates is, and none of them will become, a predatory lender as defined in MCC Chapter 2-32. We understand that becoming a predatory lender or becoming an affiliate of a predatory lender may result in the loss of the privilege of doing business with the City."

If the Disclosing Party is unable to make this pledge because it or any of its affiliates (as defined in MCC Section 2-32-455(b)) is a predatory lender within the meaning of MCC Chapter 2-32, explain here (attach additional pages if necessary):

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If the letters "NA," the word "None," or no response appears on the lines above, it will be conclusively presumed that the Disclosing Party certified to the above statements.

### D. CERTIFICATION REGARDING FINANCIAL INTEREST IN CITY BUSINESS

Any words or terms defined in MCC Chapter 2-156 have the same meanings if used in this Part D.

1. In accordance with MCC Section 2-156-110: To the best of the Disclosing Party's knowledge after reasonable inquiry, does any official or employee of the City have a financial interest in his or her own name or in the name of any other person or entity in the Matter?

☐ Yes ☐ No

NOTE: If you checked "Yes" to Item D(1), proceed to Items D(2) and D(3). If you checked "No" to Item D(1), skip Items D(2) and D(3) and proceed to Part E.

2. Unless sold pursuant to a process of competitive bidding, or otherwise permitted, no City elected official or employee shall have a financial interest in his or her own name or in the name of any other person or entity in the purchase of any property that (i) belongs to the City, or (ii) is sold for taxes or assessments, or (iii) is sold by virtue of legal process at the suit of the City (collectively, "City Property Sale"). Compensation for property taken pursuant to the City's eminent domain power does not constitute a financial interest within the meaning of this Part D.

Does the Matter involve a City Property Sale?

☐ Yes

☐ No

3. If you checked "Yes" to Item D(1), provide the names and business addresses of the City officials or employees having such financial interest and identify the nature of the financial interest:

Name	Business Address	Nature of Financial Interest
_____	_____	_____
_____	_____	_____
_____	_____	_____

4. The Disclosing Party further certifies that no prohibited financial interest in the Matter will be acquired by any City official or employee.

#### E. CERTIFICATION REGARDING SLAVERY ERA BUSINESS

Please check either (1) or (2) below. If the Disclosing Party checks (2), the Disclosing Party must disclose below or in an attachment to this EDS all information required by (2). Failure to comply with these disclosure requirements may make any contract entered into with the City in connection with the Matter voidable by the City.

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

       2. The Disclosing Party verifies that, as a result of conducting the search in step (1) above, the Disclosing Party has found records of investments or profits from slavery or slaveholder insurance policies. The Disclosing Party verifies that the following constitutes full disclosure of all such records, including the names of any and all slaves or slaveholders described in those records:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

#### SECTION VI -- CERTIFICATIONS FOR FEDERALLY FUNDED MATTERS

**NOTE:** If the Matter is federally funded, complete this Section VI. If the Matter is not federally funded, proceed to Section VII. For purposes of this Section VI, tax credits allocated by the City and proceeds of debt obligations of the City are not federal funding.

## A. CERTIFICATION REGARDING LOBBYING

1. List below the names of all persons or entities registered under the federal Lobbying Disclosure Act of 1995, as amended, who have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter: (Add sheets if necessary):

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(If no explanation appears or begins on the lines above, or if the letters "NA" or if the word "None" appear, it will be conclusively presumed that the Disclosing Party means that NO persons or entities registered under the Lobbying Disclosure Act of 1995, as amended, have made lobbying contacts on behalf of the Disclosing Party with respect to the Matter.)

2. The Disclosing Party has not spent and will not expend any federally appropriated funds to pay any person or entity listed in paragraph A(1) above for his or her lobbying activities or to pay any person or entity to influence or attempt to influence an officer or employee of any agency, as defined by applicable federal law, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the award of any federally funded contract, making any federally funded grant or loan, entering into any cooperative agreement, or to extend, continue, renew, amend, or modify any federally funded contract, grant, loan, or cooperative agreement.

3. The Disclosing Party will submit an updated certification at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the statements and information set forth in paragraphs A(1) and A(2) above.

4. The Disclosing Party certifies that either: (i) it is not an organization described in section 501(c)(4) of the Internal Revenue Code of 1986; or (ii) it is an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 but has not engaged and will not engage in "Lobbying Activities," as that term is defined in the Lobbying Disclosure Act of 1995, as amended.

5. If the Disclosing Party is the Applicant, the Disclosing Party must obtain certifications equal in form and substance to paragraphs A(1) through A(4) above from all subcontractors before it awards any subcontract and the Disclosing Party must maintain all such subcontractors' certifications for the duration of the Matter and must make such certifications promptly available to the City upon request.

## B. CERTIFICATION REGARDING EQUAL EMPLOYMENT OPPORTUNITY

If the Matter is federally funded, federal regulations require the Applicant and all proposed subcontractors to submit the following information with their bids or in writing at the outset of negotiations.

Is the Disclosing Party the Applicant?

☐ Yes

☐ No

If Yes, answer the three questions below:

1. Have you developed and do you have on file affirmative action programs pursuant to applicable federal regulations? (See 41 CFR Part 60-2.)

☐ Yes

☐ No

2. Have you filed with the Joint Reporting Committee, the Director of the Office of Federal Contract Compliance Programs, or the Equal Employment Opportunity Commission all reports due under the applicable filing requirements?
- ☐ Yes ☐ No ☐ Reports not required

3. Have you participated in any previous contracts or subcontracts subject to the equal opportunity clause?
- ☐ Yes ☐ No

If you checked ☐ No to question (1) or (2) above, please provide an explanation:

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## SECTION VII -- FURTHER ACKNOWLEDGMENTS AND CERTIFICATION

The Disclosing Party understands and agrees that:

A. The certifications, disclosures, and acknowledgments contained in this EDS will become part of any contract or other agreement between the Applicant and the City in connection with the Matter, whether procurement, City assistance, or other City action, and are material inducements to the City's execution of any contract or taking other action with respect to the Matter. The Disclosing Party understands that it must comply with all statutes, ordinances, and regulations on which this EDS is based.

B. The City's Governmental Ethics Ordinance, MCC Chapter 2-156, imposes certain duties and obligations on persons or entities seeking City contracts, work, business, or transactions. The full text of this ordinance and a training program is available on line at [www.cityofchicago.org/Ethics](http://www.cityofchicago.org/Ethics), and may also be obtained from the City's Board of Ethics, 740 N. Sedgwick St., Suite 500, Chicago, IL 60610, (312) 744-9660. The Disclosing Party must comply fully with this ordinance.

C. If the City determines that any information provided in this EDS is false, incomplete or inaccurate, any contract or other agreement in connection with which it is submitted may be rescinded or be void or voidable, and the City may pursue any remedies under the contract or agreement (if not rescinded or void), at law, or in equity, including terminating the Disclosing Party's participation in the Matter and/or declining to allow the Disclosing Party to participate in other City transactions. Remedies at law for a false statement of material fact may include incarceration and an award to the City of treble damages.

D. It is the City's policy to make this document available to the public on its Internet site and/or upon request. Some or all of the information provided in, and appended to, this EDS may be made publicly available on the Internet, in response to a Freedom of Information Act request, or otherwise. By completing and signing this EDS, the Disclosing Party waives and releases any possible rights or claims which it may have against the City in connection with the public release of information contained in this EDS and also authorizes the City to verify the accuracy of any information submitted in this EDS.

E. The information provided in this EDS must be kept current. In the event of changes, the Disclosing Party must supplement this EDS up to the time the City takes action on the Matter. If the Matter is a contract being handled by the City's Department of Procurement Services, the Disclosing Party must update this EDS as the contract requires. **NOTE:** With respect to Matters subject to MCC Chapter 1-23, Article 1 (imposing **PERMANENT INELIGIBILITY** for certain specified offenses), the information provided herein regarding eligibility must be kept current for a longer period, as required by MCC Chapter 1-23 and Section 2-154-020.

**CERTIFICATION**

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

\_\_\_\_\_  
(Print or type exact legal name of Disclosing Party)

By: \_\_\_\_\_  
(Sign here)

\_\_\_\_\_  
(Print or type name of person signing)

\_\_\_\_\_  
(Print or type title of person signing)

Signed and sworn to before me on (date) \_\_\_\_\_,

at \_\_\_\_\_ County, \_\_\_\_\_ (state).

\_\_\_\_\_  
Notary Public

Commission expires: \_\_\_\_\_

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

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

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

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

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

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

☐ Yes

☐ No

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

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

**BUILDING CODE SCOFFLAW/PROBLEM LANDLORD CERTIFICATION**

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

1. Pursuant to MCC Section 2-154-010, is the Applicant or any Owner identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

☐ Yes

☐ No

2. If the Applicant is a legal entity publicly traded on any exchange, is any officer or director of the Applicant identified as a building code scofflaw or problem landlord pursuant to MCC Section 2-92-416?

☐ Yes  
exchange.

☐ No

☐ The Applicant is not publicly traded on any

3. If yes to (1) or (2) above, please identify below the name of each person or legal entity identified as a building code scofflaw or problem landlord and the address of each building or buildings to which the pertinent code violations apply.

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

**PROHIBITION ON WAGE & SALARY HISTORY SCREENING - CERTIFICATION**

This Appendix is to be completed only by an Applicant that is completing this EDS as a “contractor” as defined in MCC Section 2-92-385. That section, which should be consulted ([www.amlegal.com](http://www.amlegal.com)), generally covers a party to any agreement pursuant to which they: (i) receive City of Chicago funds in consideration for services, work or goods provided (including for legal or other professional services), or (ii) pay the City money for a license, grant or concession allowing them to conduct a business on City premises.

On behalf of an Applicant that is a contractor pursuant to MCC Section 2-92-385, I hereby certify that the Applicant is in compliance with MCC Section 2-92-385(b)(1) and (2), which prohibit: (i) screening job applicants based on their wage or salary history, or (ii) seeking job applicants’ wage or salary history from current or former employers. I also certify that the Applicant has adopted a policy that includes those prohibitions.

☐ Yes

☐ No

☐ N/A – I am not an Applicant that is a “contractor” as defined in MCC Section 2-92-385.

This certification shall serve as the affidavit required by MCC Section 2-92-385(c)(1).

If you checked “no” to the above, please explain.

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## Exhibit D

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**EXHIBIT D**

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

**BETWEEN**

**CITY OF CHICAGO**

**AND**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
AS TRUSTEE**

**DATED AS OF \_\_\_\_\_ 1, 2021**

**SECURING**

**\$ \_\_\_\_\_  
CITY OF CHICAGO  
SPECIAL ASSESSMENT IMPROVEMENT BONDS  
REFUNDING SERIES 2021 (LAKESHORE EAST PROJECT)**

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Supplementing and amending a Trust Indenture between the City of Chicago and The Bank of New York Mellon Trust Company, N.A., as successor Trustee to BNY Midwest Trust Company, dated as of December 1, 2002 securing \$58,933,000 aggregate original principal amount of City of Chicago Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project).

# FIRST SUPPLEMENTAL TRUST INDENTURE

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(This Table of Contents is not a part of the Indenture  
and is only for convenience of reference.)

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## FIRST SUPPLEMENTAL TRUST INDENTURE

THIS FIRST SUPPLEMENTAL TRUST INDENTURE, made and entered into as of \_\_\_\_\_, 2021 (this "First Supplemental Indenture"), between the City of Chicago (the "City"), a municipal corporation and home rule unit of local government duly organized and existing under the Constitution and laws of the State of Illinois, and The Bank of New York Mellon Trust Company, N.A., as successor Trustee to BNY Midwest Trust Company (the "Trustee"), a national banking association duly organized, existing and authorized to accept and execute trusts of the character set out in this First Supplemental Indenture, with a corporate trust office in Chicago, Illinois, supplements and amends a Trust Indenture dated as of December 1, 2002 between the City and the Trustee (the "Original Indenture" and as supplemented and amended by this First Supplemental Indenture, the "Indenture");

### WITNESSETH:

WHEREAS, by virtue of Section 6(a) of Article VII of the Illinois Constitution of 1970 and pursuant to an ordinance duly adopted by the City Council of the City (the "City Council") on \_\_\_\_\_, 2021 (the "Bond Ordinance"), the City is authorized to enter into this First Supplemental Indenture and to do or cause to be done all the acts and things provided or required in this First Supplemental Indenture to be done; and

WHEREAS, the City previously entered into the Original Indenture to provide for the issuance and securing of special assessment improvement bonds for the Lakeshore East Project and which provided for the issuance of refunding bonds in one or more series pursuant to one or more Supplemental Indentures upon satisfaction of the conditions set forth in Article II of the Indenture; and

WHEREAS, by virtue of Section 6(l) of Article VII of the Illinois Constitution of 1970 Article 9 of the Illinois Municipal Code, the Special Assessment Supplemental Bond and Procedures Act and pursuant to an ordinance duly adopted by the City Council of the City (the "City Council") on July 25, 2001 (the "Home Rule Ordinance") and an Ordinance duly adopted by the City Council on October 2, 2002 (the "Series 2002 Bond Ordinance"), the City issued and delivered on January 14, 2003, its \$58,933,000 aggregate original principal amount of City of Chicago Special Assessment Improvement Bonds, Series 2002 (Lakeshore East Project) (the "Series 2002 Bonds") to finance the acquisition and construction of certain local improvements within the City; and

WHEREAS, \$34,938,000 of the Series 2002 Bonds are currently outstanding as of the date hereof; and

WHEREAS, pursuant to the Bond Ordinance and a Notification of Sale executed pursuant thereto, the City has duly authorized the issuance of \$\_\_\_\_\_ aggregate principal amount of its Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project) (the "Series 2021 Bonds"). The Series 2021 Bonds are being issued for the purpose of refunding in advance of their maturity all of the outstanding Series 2002 Bonds, funding the Debt Service Reserve Requirement for the Series 2021 Bonds, if any, and paying costs related to the issuance of the Series 2021 Bonds and the refunding of the Series 2002 Bonds; and

WHEREAS, the Series 2021 Bonds and the Trustee's Certificate of Authentication to be endorsed on the Series 2021 Bonds are to be in substantially the form set forth in Exhibit A hereto and incorporated herein with appropriate variations, omissions and insertions as permitted or required by the Original Indenture, this First Supplemental Indenture or the Notification of Sale filed in the Office of the City Clerk pursuant to the Bond Ordinance.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:

## ARTICLE I

### DEFINITIONS

Section 1.1 Definitions. All capitalized terms used in this First Supplemental Indenture unless otherwise defined in this First Supplemental Indenture shall have the same meaning as used in Article I of the Original Indenture. The following words and phrases shall have the following meanings for purposes of the Original Indenture, as supplemented by this First Supplemental Indenture:

"Authorized Denomination" means \$100,000 or any integral multiple of \$1,000 in excess of that amount.

"Bondholder" means the registered owner of any Bond (as defined herein).

"Bond Ordinance" means the ordinance duly adopted and approved by the City Council of the City on \_\_\_\_\_, 2021, which authorizes the issuance and sale of the Series 2021 Bonds and the execution of this First Supplemental Indenture.

"Bonds" means the Series 2021 Bonds.

"Date of Issuance" means \_\_\_\_\_, 2021, the date of issuance and delivery of the Series 2021 Bonds.

"Debt Service Reserve Requirement" means, with respect to the Series 2021 Bonds, as of any particular date, the amount of moneys equal to ten percent (10%) of the original principal amount of the Series 2021 Bonds, less ten percent (10%) of the principal amount of Series 2021 Bonds redeemed by operation of the Prepayment Account of the Debt Service Fund pursuant to Section 403(b) of the Indenture.

"First Supplemental Indenture" means this First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2021 and any amendments and supplements to it.

"General Reserve Fund Requirement" means with respect to the Series 2021 Bonds an amount equal to \$500,000.

"Indenture" has the meaning set forth in the Recitals. References to Articles and Sections of the Original Indenture or the First Supplemental Indenture shall be deemed to refer to respective Articles and Sections of the Original Indenture and the First Supplemental Indenture as amended from time to time.

"Interest Payment Date" means June 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 2021.

"Issue Date" means, with respect to the Series 2021 Bonds, \_\_\_\_\_, 2021.

"Notification of Sale" means \_\_\_\_\_.

"Redemption Date" means \_\_\_\_\_, 2021, the date on which the Series 2002 Bonds are to be redeemed in full.

"Series 2002 Bonds" has the meaning set forth in the Recitals.

"Series 2002 Defeasance Account" has the meaning set forth in Section 2.5 hereof.

"Series 2021 Bonds" has the meaning set forth in the Recitals.

"Servicing Agreement" means that certain Servicing Agreement dated as of December 1, 2002, an agreement, by and among the City, the Trustee and The Bank of New York Mellon, as successor to BNY Asset Solutions LLC, as Servicer (the "Servicer") providing for the servicing of certain billing and collection procedures for the Assessments, including the Servicing Agreement dated as of December 1, 2002, as amended by a First Supplemental Servicing Agreement dated as of \_\_\_\_\_, 2021 by and among the City, the Servicer and the Trustee.

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses of the Indenture.

"Trustee" means The Bank of New York Mellon Trust Company, N.A., as successor Trustee to BNY Midwest Trust Company.

## ARTICLE II

### PROVISIONS RELATING TO SERIES 2021 BONDS

Section 2.1 Authorized Amount of Series 2021 Bonds. No Series 2021 Bonds may be issued under the provisions of this First Supplemental Indenture except in accordance with this Article. The Series 2021 Bonds are being issued to provide funds to refund in advance of their maturity all of the outstanding Series 2002 Bonds, to fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Requirement, and to pay costs of issuance of the Series 2021 Bonds and the refunding of the Series 2002 Bonds. The total principal amount of Series 2021 Bonds that may be issued is expressly limited to \$\_\_\_\_\_.

Section 2.2 Issuance of Series 2021 Bonds; Terms of Series 2021 Bonds; Payment. The Series 2021 Bonds shall be designated "City of Chicago Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)."

The Series 2021 Bonds shall be dated the Issue Date and shall be issued as registered bonds without coupons. The Series 2021 Bonds shall be issued only in Authorized Denominations. The Series 2021 Bonds shall be numbered consecutively from R-1 upwards bearing numbers not then

contemporaneously outstanding (in order of issuance) according to the records of the Trustee and may be otherwise distinguished by letter or number as the Trustee deems necessary or appropriate.

The Series 2021 Bonds shall be issued in the aggregate principal amount of \$\_\_\_\_\_ and shall mature on December 1 of each of the following years and bear interest at the following interest rates per annum:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2032		

Interest on the Series 2021 Bonds shall be payable on June 1 and December 1 of each year, commencing \_\_\_\_\_ 1, 2021. The Series 2021 Bonds shall bear interest from their date or from and including the most recent Interest Payment Date with respect to which interest has been paid or duly provided for. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30 day months.

The Series 2021 Bonds are not subject to optional redemption prior to their maturity.

The Series 2021 Bonds maturing December 1, \_\_\_\_\_ are subject to mandatory redemption by operation of the provisions of this Section 2.2 and Section 508 of the Indenture from amounts on deposit in the Debt Service Account of the Debt Service Fund, in part and by lot, at the Redemption Price equal to the principal amount thereof to be redeemed, without Bond Premium, and payment at maturity on December 1 of the years and in the amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
	\$		\$
		(final maturity)	

A Sinking Fund Installment is hereby established for each year and in the amounts indicated therefor as set forth in the foregoing table.

The Series 2021 Bonds maturing December 1, 2032 are subject to mandatory redemption by operation of the provisions of this Section 2.2(a) and Section 508 of the Indenture from amounts on deposit in the Debt Service Account of the Debt Service Fund, in part and by lot, at the Redemption Price equal to the principal amount thereof to be redeemed, without Bond Premium, and payment at maturity on December 1 of the years and in the amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
	\$		\$
		(final maturity)	

A Sinking Fund Installment is hereby established for each year and in the amounts indicated therefor as set forth in the foregoing table.



The Series 2021 Bonds are further subject to mandatory redemption on any Interest Payment Date, by operation of the Prepayment Account of the Debt Service Fund, in part and by lot, at the Redemption Price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed plus accrued interest to the date of redemption.

The principal of and interest on the Series 2021 Bonds shall be payable at the principal corporate trust office of the Trustee in the City of Chicago, Illinois, as Paying Agent, and at such offices of any co-Paying Agent or successor Paying Agent or Paying Agents appointed pursuant to the Indenture for the Bonds. Interest on the Series 2021 Bonds shall be payable by check or bank draft mailed or delivered by the Trustee to the Owners as the same appear on the registration books of the City maintained by the Registrar as of the Record Date or, at the option of any Owner of \$1,000,000 or more in aggregate principal amount of Series 2021 Bonds, by wire transfer of immediately available funds to such bank in the continental United States as said Owner shall request in writing to the Registrar.

Section 2.3 Form of Series 2021 Bonds; Temporary Bonds. The Series 2021 Bonds issued under this First Supplemental Indenture shall be substantially in the form set forth in Exhibit A hereto, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and this First Supplemental Indenture.

Section 2.4 Delivery of Series 2021 Bonds. Upon the execution and delivery of this First Supplemental Indenture, the City shall execute and deliver the Series 2021 Bonds to the Trustee, and the Trustee shall authenticate the Series 2021 Bonds and deliver them to the purchasers as may be directed by the City as provided in this Section 2.4 and in Section 202 and 203 of the Indenture.

Prior to the delivery by the Trustee of any of the Series 2021 Bonds, there shall be filed with the Trustee:

(1) A copy of the Bond Ordinance, certified by the City Clerk, authorizing the execution and delivery of this First Supplemental Indenture;

(2) A Bond Counsel Opinion of Co-Bond Counsel to the effect that (i) the Bond Ordinance has been duly and lawfully adopted by the City Council, is in full force and effect, is valid and binding upon the City and is enforceable in accordance with its terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (ii) the Indenture and this First Supplemental Indenture have been duly executed and delivered by the City, are valid and binding upon the City and are enforceable in accordance with their terms (except as may be limited by any applicable bankruptcy, liquidation, reorganization, insolvency or other similar laws and by general principles of equity in the event that equitable remedies are sought); (iii) upon the execution, authentication and delivery of the Series 2021 Bonds, the Bonds of such Series will have been duly and validly authorized and issued in accordance with the laws of the State of Illinois, the Indenture and this First Supplemental Indenture; and (iv) interest on the Series 2021 Bonds is excluded from gross income of the holders of such Bonds for federal income tax purposes;

(3) An executed opinion of counsel to the City addressed to the Trustee, in form and substance satisfactory to the Trustee;

(4) A Written Request of the City as to the delivery of the Series 2021 Bonds, executed by an Authorized Officer and stating (i) the identity of the purchasers, aggregate purchase price and date of delivery of such Series, and (ii) that no Event of Default has occurred and is continuing under the Indenture; and

(5) Original executed counterparts (or copies duly certified by the City Clerk of the City) of the Indenture, the First Supplemental Servicing Agreement and this First Supplemental Indenture.

Section 2.5 Establishment or Continuation of Funds and Accounts. The following Funds and Accounts are hereby established (with respect to the funds and accounts listed in clauses (1), (7) and (8) below) or continued (with respect to the funds and accounts listed in clauses (2), (3), (4), (5) and (6) below) by the City with the Trustee to be held in trust pursuant to the Indenture:

(1) Series 2021 Costs of Issuance Account;

(2) Assessment Fund;

(3) Making and Levying Fund;

(4) Debt Service Fund, consisting of a Debt Service Account, a Debt Service Reserve Account, and a Prepayment Account;

(5) Assessee's Credit Fund, consisting of the Annual Interest Credit Account;

(6) General Reserve Fund;

(7) Series 2021 Rebate Fund; and

(8) Series 2002 Defeasance Account.

Any Fund or Account established or continued pursuant to this Section 2.5 shall be maintained in an account at the Trustee or, with respect to the Making and Levying Fund and Series 2021 Rebate Fund and at the option of the City, at one or more Depositories in the manner contemplated by Section 601 of the Indenture.

Section 2.6 Creation of Series 2002 Defeasance Account. The City establishes with the Trustee a separate segregated account to be known as the "Series 2002 Defeasance Account." There shall be deposited or transferred to the credit of the Series 2002 Defeasance Account the amounts set forth in Section 2.9 hereof. The Trustee shall apply amounts on deposit in the Series 2002 Defeasance Account, to redeem the Series 2002 Bonds as provided in the Trust Indenture on the Redemption Date and in accordance with the written direction of an Authorized Officer. Amounts on deposit in the Series 2002 Defeasance Account shall be held in trust solely for the benefit of the owners of the Series 2002 Bonds, and neither the City nor the Series 2021 Bondholders, shall have any interest in such amounts. Amounts on deposit in the Series 2002

Defeasance Account shall be held uninvested or, at the written direction of an Authorized Officer, invested in Defeasance Securities maturing on or prior to the Redemption Date, provided a verification report is delivered to the Trustee in connection with such investment.

Section 2.7 Costs of Issuance Account. The City establishes with the Trustee a separate account to be known as the Series 2021 Costs of Issuance Account (the "Costs of Issuance Account"). An initial deposit to the credit of the Costs of Issuance Account is to be made in accordance with Section 2.9(d) hereof. Amounts on deposit in the Costs of Issuance Account shall be disbursed by the Trustee for the payment of fees and expenses incurred by or on behalf of the City in connection with or incident to the issuance and sale of the Series 2021 Bonds upon receipt of a Written Request of the City in the form of Exhibit B. At such time as the Trustee is furnished with a certificate of the City stating that all such fees and expenses have been paid, and in no event later than September 1, 2021, the Trustee shall transfer any moneys remaining in the Costs of Issuance Account to the Debt Service Account.

Section 2.8 Creation of the 2021 Rebate Fund. In the event that the City shall invest moneys in any Fund or Account in any investments that generate income that must be rebated or paid to the United States of America pursuant to Section 148(f) of the Internal Revenue Code of 1986, such income shall be deposited in the Series 2021 Rebate Fund. Moneys in the Series 2021 Rebate Fund, at the direction of the City expressed in a Written Certificate filed with the Trustee, shall be applied to pay such sums as are required to be paid to the United States of America pursuant to Section 148(f) of the Internal Revenue Code of 1986.

Section 2.9 Application of Proceeds. The proceeds derived from the sale of the Series 2021 Bonds in the amount of \$\_\_\_\_\_ (which is net of Underwriters' Discount in the amount of \$\_\_\_\_\_, plus original issue premium in the amount of \$\_\_\_\_\_) shall be applied on the Issue Date as follows:

(a) \$\_\_\_\_\_ shall be deposited to the Series 2002 Defeasance Account which shall be applied, together with other amounts transferred to such account as described below, to redeem the Series 2002 Bonds;

(b) \$\_\_\_\_\_ shall be deposited by the Trustee into the Debt Service Reserve Account; and

(c) \$\_\_\_\_\_ shall be deposited by the Trustee into the Series 2021 Costs of Issuance Account to pay costs of issuance at the direction of the City.

In addition, unless otherwise provided in the Notification of Sale, the Trustee shall transfer the following amounts to the Series 2002 Defeasance Account to be applied to redeem the Series 2002 Bonds on the Redemption Date: (i) \$\_\_\_\_\_ which constitutes all amounts on deposit in the Debt Service Account, (ii) \$\_\_\_\_\_ which constitutes all amounts on deposit in the Debt Service Reserve Fund, (iii) \$\_\_\_\_\_ which constitutes all amounts on deposit in the General Reserve Fund in excess of the General Reserve Fund Requirement, (iv) \$\_\_\_\_\_ which constitutes that portion of the amounts on deposit in the Making and Levying Fund in excess of \$300,000, (v) \$\_\_\_\_\_ which constitutes all amounts on deposit in the Prepayment Account, and (vi) \$\_\_\_\_\_ which constitutes all amounts on deposit in the Improvement Fund.

## Section 2.10 Tax Covenants.

The City covenants that it will not take any action or omit to take any action which is lawful and within its power to take, and which, if taken or omitted, would cause interest on any Series 2021 Bond to become subject to federal income taxes in addition to federal income taxes to which interest on the Series 2021 Bonds is subject on the date of original issuance thereof.

The City will not permit any of the proceeds of the Series 2021 Bonds or any facilities financed or refinanced with such proceeds, to be used in any manner that would cause any Series 2021 Bonds to constitute "private activity bonds" within the meaning of Section 141 of the Code

The City will not permit any proceeds of the Series 2021 Bonds or other moneys to be invested in any manner that would cause any Series 2021 Bonds to constitute an "arbitrage bond" within the meaning of Section 148 of the Code or a "hedge bond" within the meaning of Section 149(g) of the Code. The City will comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings as required by the Code.

## ARTICLE III

### AMENDMENTS TO INDENTURE

The amendments set forth below are authorized pursuant to Section 1001(h) of the Indenture and shall become effective only upon the issuance of the Series 2021 Bonds and the deposit in the Series 2002 Defeasance Account of proceeds of the Series 2021 Bonds which when added to the deposit of funds contemplated by Section 3.5 are sufficient to pay in full the principal and interest due on the Bonds on the Redemption Date. By purchase of the Series 2021 Bonds each Owner of the Series 2021 Bonds shall be deemed to have consented to the amendments set forth in this Article.

Section 3.1 Amendment to Section 511 General Reserve Fund. Paragraph (d) of Section 511 of the Original Indenture is hereby amended and restated to read as follows:

(d) After provision has been made for any payments or transfers then required by subsections (a), (b) and (c) of this Section and, provided, amounts on deposit in the General Reserve Fund exceed the General Reserve Fund Requirement, then, the Trustee shall notify the City of the excess amounts on deposit in the General Reserve Fund in excess of the General Reserve Fund Requirement and that it intends to transfer such amounts to the Annual Interest Credit Account unless the City provides alternative directions. In the event the City does not direct the Trustee as to the use of such funds within 30 days of delivery of such notice, the Trustee shall transfer the amount in excess of the General Reserve Fund Requirement to the Annual Interest Credit Account of the Assessee's Credit Fund without any further direction.

Section 3.2 Amendment to Section 507(c). Section 507(c) of the Original Indenture is hereby amended and restated to read as follows:

(c) The Trustee shall notify the City on or prior to December 15 of each year of amounts on deposit in the Making and Levying Fund in excess of \$300,000 not

otherwise required to pay Costs of Making and Levying and that it intends to transfer such amounts to the Annual Interest Credit Account of the Assesseees' Credit Fund unless the City provides alternative directions. In the event the City does not direct the Trustee as to the use of such funds within 30 days of delivery of such notice, the Trustee shall transfer the amount of such excess to the Annual Interest Credit Account of the Assesseees' Credit Fund.

Section 3.3 Amendment to Section 514(a) Assesseees' Credit Fund. Section 514(a) of the Original Indenture is hereby amended and restated as follows:

(a) After satisfying any arbitrage rebate obligations owed or to be owed with respect to the Bonds, the Annual Interest Credit Account of the Assesseees' Credit Fund shall receive all interest income from the Debt Service Reserve Account at any time that the amount on deposit in the Debt Service Reserve Account is greater than the Debt Service Reserve Requirement. The Annual Interest Credit Account shall also receive amounts transferred from (i) the Making and Levying Fund pursuant to Section 507 hereof and (ii) the General Reserve Fund pursuant to Section 511(d) hereof. Amounts on deposit in the Annual Interest Credit Account shall be applied as a pro rata credit against the next Installments for which Installment Bills are to be sent by the Servicer. The Trustee shall advise the City and the Servicer of the credit by January 2nd of each year. The Servicer shall reflect such credits on the Installment Bills as provided in the Servicing Agreement. No credit shall be given to any person who will make no payment as part of such Installment due to Prepayment. After such credits have been provided on the next Installment Bill, the Trustee shall transfer amounts on deposit in the Assesseees' Credit Fund to the Debt Service Account as directed by the Servicer.

Section 3.4 Amendment to Section 513(b) Prepayments. Section 513(b) of the Original Indenture is hereby amended and restated as follows:

(b) The amount of the prepayment of the Assessment with respect to any Lot shall be calculated as follows: (i) a ratio shall be determined which shall be the unpaid amounts in the Roll Component "Total Assessment" for such Lot (taking into account any interest and charges related to delinquencies in payment) divided by the total of all unpaid Total Assessments (the "Assesseees' Quotient"); (ii) the Assesseees' Quotient shall be multiplied by the principal amount of the Bonds outstanding, as provided by the Trustee; (iii) the Assesseees' Quotient shall be multiplied by the amount on deposit in the Debt Service Reserve Account; (iv) interest shall be calculated from the last Assessment payment date accruing at the rate of 6.75% per annum on the principal amount determined in clause (ii) of this paragraph, (v) the Prepayment amount shall be (ii) plus (iv) less (iii).

Section 3.5 Addition of new Section 516. A new Section 516 is hereby added to the Original Indenture to read as follows:

**Section 516. Transfer of Funds Upon Defeasance of Bonds.** In the event of the refunding or defeasance of any Bonds, the Trustee shall, upon the direction of the City, withdraw the amounts specified by the City from the following funds: the Debt Service Account, the Debt Service Reserve Account and the Prepayment Account of the Debt

Service Fund, the Making and Levying Fund, the General Reserve Fund and the Assessment Fund, all or any portion of the amounts accumulated therein and deposit such amounts with itself as Trustee in a segregated account to be held for the payment of the principal or Redemption Price, if applicable, and interest on the Bonds being refunded; provided that such withdrawal shall not be made unless (i) immediately thereafter the Bonds being refunded shall be deemed to have been paid pursuant to Section 1201(b) hereof, and (ii) the amount remaining in the Debt Service Account in the Debt Service Fund, the amount remaining in the General Reserve Fund, the amount remaining in the Debt Service Reserve Account and the amount remaining in the Making and Levying Fund, after giving effect to the issuance of any obligations being issued to refund such Bonds and the disposition of the proceeds thereof, shall not be less than the requirement for such Funds and Accounts as set forth in the applicable supplemental indenture authorizing the issuance of the refunding bonds. In the event of such refunding or defeasance, the City may also direct the Trustee to withdraw from the Debt Service Account in the Debt Service Fund all or any portion of the amounts accumulated therein and deposit such amounts in any fund or account under this Indenture; provided that such withdrawal shall not be made unless items (i) and (ii) referred to hereinabove have been satisfied; and provided further, that, at the time of such withdrawal, there shall exist no deficiency in any fund or account held under this Indenture.

Section 3.6 Amendment to Section 710(g). Section 710(g) is hereby deleted and replaced with the word "Reserved".

## ARTICLE IV

### SUPPLEMENTAL INDENTURES

Section 4.1 Supplements or Amendments to First Supplemental Indenture. This First Supplemental Indenture may be supplemented or amended in the manner set forth in Articles X and XI of the Original Indenture and pursuant to Section 4.1 herein.

## ARTICLE V

### MISCELLANEOUS

Section 5.1 First Supplemental Indenture as Part of the Original Indenture. This First Supplemental Indenture shall be construed in connection with and as a part of the Original Indenture and all terms, conditions and covenants contained in the Original Indenture shall apply to and be deemed to be for the equal benefit, security and protection of the Bonds.

Section 5.2 Severability. If any provision of this First Supplemental Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions contained in this First Supplemental Indenture or render the same invalid, inoperative or unenforceable to any extent.

Section 5.3 Payments Due on Saturdays, Sundays and Holidays. If any payment of interest of or principal or redemption premium on the Series 2021 Bonds is due on a date that is

not a Business Day, payment shall be made on the next succeeding Business Day with the same force and effect as if made on the date which is fixed for such payment, and no interest shall accrue on such amount for the period after such due date.

Section 5.4 Counterparts. This First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.5 Governing Law. This First Supplemental Indenture shall be construed in accordance with the provisions of the internal laws of the State of Illinois, without giving effect to any contrary provisions of the laws of the State of Illinois or any other state.

Section 5.6 Rules of Interpretation. Unless expressly indicated otherwise, references to Sections or Articles are to be construed as references to Sections or Articles of this instrument as originally executed. Use of the words "herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter" and other equivalent words refer to this First Supplemental Indenture and not solely to the particular portion in which any such word is used.

Section 5.7 Captions. The captions and headings in this First Supplemental Indenture are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this First Supplemental Indenture.

[Signature Page Follows]

IN WITNESS WHEREOF, the City has caused these presents to be executed in its name and on its behalf by its Chief Financial Officer; and to evidence its acceptance of the trusts created by these presents, the Trustee has caused these presents to be executed in its corporate name and with its corporate seal affixed and attested by its duly authorized officers, as of the date first above written.

CITY OF CHICAGO

By: \_\_\_\_\_  
Jennie Huang Bennett  
Chief Financial Officer

(SEAL)

Attest:

By: \_\_\_\_\_  
City Clerk

THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee

By: \_\_\_\_\_  
Authorized Signatory

(SEAL)

Attest:

By: \_\_\_\_\_  
Authorized Signatory



Exhibit A

(Form of Bond)

UNITED STATES OF AMERICA

CITY OF CHICAGO

**SPECIAL ASSESSMENT IMPROVEMENT BOND, REFUNDING SERIES 2021  
(LAKESHORE EAST PROJECT)**

INTEREST RATE	MATURITY DATE	ISSUE DATE	CUSIP
_____%	December 1, _____	_____, 2021	

REGISTERED OWNER: Cede & Co.

PRINCIPAL AMOUNT: \$ \_\_\_\_\_

The CITY OF CHICAGO (the "City"), a municipal corporation and home rule unit of the State of Illinois, acknowledges itself indebted and for value received hereby promises to pay, solely from the sources herein set forth, to the registered owner specified above, or registered assigns, the principal amount specified above, on the maturity date specified above, upon presentation and surrender of this bond at the New York, New York office of The Bank of New York Mellon Trust Company, N.A. (the "Trustee") and to pay interest on such principal amount from the date hereof until the principal amount hereof shall have been fully paid at the rate per annum specified above, computed on the basis of a 360 day year consisting of twelve 30 day months and payable on \_\_\_\_\_, 20\_\_ and semiannually thereafter on the first days of \_\_\_\_ and \_\_\_\_\_ of each year, interest to maturity being payable by check or draft mailed to the registered owner of record hereof, as of the 15th day of the calendar month next preceding such interest payment date, at the address of such registered owner appearing on the registration books maintained by the City for such purpose at the principal corporate trust office of the Trustee or by wire transfer pursuant to an agreement by and between the City and such registered owner. The principal of, premium, if any, and interest on this bond are payable in legal tender of the United States of America.

This bond is one of a duly authorized series of bonds of the City designated "Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project)" and issued in the aggregate principal amount of \$ \_\_\_\_\_ (the "Bonds") under and pursuant to the provisions of Division 2 of Article 9 of the Illinois Municipal Code, 65 Illinois Compiled Statutes 5/9-2, the Special Assessment Supplemental Bond and Procedures Act, 50 Illinois Compiled Statutes 460, an ordinance of the City entitled "Amendment of Title 2, Chapter 102 of the Municipal Code of Chicago by Addition of New Section 075 Regarding Home Rule Powers in Special Assessment Proceedings" passed by the City Council of the City on \_\_\_\_\_ and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350, and by virtue of the 2021 Financing Plan Ordinance adopted by the Mayor and City Council of the City on \_\_\_\_\_.

20\_\_ and the Notification of Sale executed pursuant thereto (the "Bond Ordinance"). The Bonds are issued and secured under a Trust Indenture dated as of December 1, 2002, as supplemented and amended by a First Supplemental Trust Indenture dated as of \_\_\_\_\_, 20\_\_ (the "First Supplement") between the City and the Trustee (together, the "Indenture").

The Bonds are not subject to optional redemption prior to maturity.

The Bonds maturing December 1, \_\_\_\_ are subject to mandatory sinking fund redemption by operation of the Debt Service Account maintained under the Indenture, on December 1, \_\_\_\_ and on each December 1 thereafter, in part and by lot, at a redemption price equal to the principal amount to be redeemed and in principal amounts sufficient to satisfy the sinking fund installments established by the Indenture.

The Bonds maturing December 1, 2032 are subject to mandatory sinking fund redemption by operation of the Debt Service Account maintained under the Indenture, on December 1, \_\_\_\_ and on each December 1 thereafter, in part and by lot, at a redemption price equal to the principal amount to be redeemed and in principal amounts sufficient to satisfy the sinking fund installments established by the Indenture.

The Bonds are further subject to mandatory redemption by operation of the Prepayment Account maintained under the Indenture, on any interest payment date, in part and by lot, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

Notice of the redemption of Bonds will be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on such registration books. The Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable.

The Bonds are limited obligations of the City payable solely from all right, title and interest of the City in the Trust Estate pledged and assigned under the Indenture and consisting of (i) the Assessment entered by Confirmation Order of the Circuit Court of Cook County, Illinois, entered on November 12, 2002, as amended, (ii) the assessment lien imposed upon real property in the City that is subject to the Assessment and (iii) all funds established by the Indenture, except the Assessee's Credit Fund and any Rebate Fund. Neither the full faith and credit nor the general taxing power of the City is pledged to the payment of the principal of or any premium or the interest on the Bonds.

The Bonds are all equally and ratably secured and entitled to the protection given by the Indenture. Reference is hereby made to the Indenture and to all indentures supplemental thereto for a description of the provisions, among others, with respect to the nature and extent of

the security, the rights, duties and obligations of the City, the Trustee and the registered owners of the Bonds, the issuance of Bonds, and the terms upon which said Bonds are issued and secured.

To the extent and in the respects permitted by the Indenture, the provisions of the Indenture or any indenture supplemental thereto, may be modified or amended by action on behalf of the City taken in the manner and subject to the conditions and exceptions prescribed in the Indenture. Pursuant to the First Supplement certain amendments were made to the Indenture which by acceptance of this Bond the Bondholder has been deemed to have consented to. The pledges and other obligations of the City under the Indenture may be discharged at or prior to the maturity of the Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture.

This bond is transferable as provided in the Indenture, only upon the books of the City kept for that purpose at the New York, New York office of the Trustee, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or such duly authorized attorney, and thereupon the City shall issue in the name of the transferee, a new Bond or Bonds of the same aggregate principal amount, maturity and interest rate as the surrendered Bond, as provided in the Indenture and upon the payment of the charges, if any, therein prescribed. The City and the Trustee may treat and consider the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal hereof and interest due hereon and for all other purposes whatsoever.

The Bonds are issuable initially in the form of registered bonds in the denominations of \$100,000, or integral multiples of \$1,000 in excess of \$100,000. The Bonds, upon surrender thereof at the New York, New York office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or his attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations and of the same maturity.

The Bonds do not 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 or limitation.

The registered owner of this bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceedings with respect thereto except as provided in the Indenture.

This bond shall not be entitled to any benefit under the Indenture or become valid or obligatory for any purpose until the certificate of authentication hereon has been duly executed by the Trustee.

It is hereby certified, recited and declared that this bond is issued in part pursuant to the Local Government Debt Reform Act and the Special Assessment Supplemental Bond and

Procedures Act and that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this bond, do exist, have happened and have been performed in the time, form and manner required by law and that the issue of bonds of which this bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the City of Chicago, has caused this bond to be executed by the manual or facsimile signatures of its Mayor and its City Clerk and its corporate seal, or a facsimile thereof, to be impressed or reproduced hereon.

Dated: \_\_\_\_\_, 2021

CITY OF CHICAGO

By \_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

**(Form of Certificate of Authentication)**

**CERTIFICATE OF AUTHENTICATION**

This bond is one of the Special Assessment Improvement Bonds, Refunding Series 2021 (Lakeshore East Project), described in the within mentioned Indenture.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., as Trustee

By \_\_\_\_\_  
Authorized Signatory

(Form of Assignment)

ASSIGNMENT

For value received the undersigned hereby sells, assigns, and transfers unto \_\_\_\_\_ the within Bond, and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

\_\_\_\_\_

Dated: \_\_\_\_\_

Witness: \_\_\_\_\_

Exhibit B

**WRITTEN REQUEST FOR DISBURSEMENT OF FUNDS  
(COSTS OF ISSUANCE ACCOUNT)**

TO: The Bank of New York Mellon Trust Company, N.A., as Trustee  
Attention: Corporate Trust Department  
Suite 1020  
Two North LaSalle Street  
Chicago, Illinois 60602

RE: \$ \_\_\_\_\_  
City of Chicago  
Special Assessment Improvement Bonds, Refunding Series 20\_\_  
(Lakeshore East Project)

Amount Requested: \_\_\_\_\_

Total Disbursements to Date: \_\_\_\_\_

1. Each obligation for which a disbursement is hereby requested is described in reasonable detail in Schedule I hereto together with the name and address of the person, firm, or corporation to whom payment is due, which may include the City for reimbursement of amounts expended, and any other payment instructions.
2. The Issuer hereby certifies that:

A. This written requisition is for payment of costs in connection with the issuance of the above-described Series 2021 Bonds and the specific purpose for which this request is made is described in Schedule I.

B. The disbursement in the amount requested is for payment of a cost which is a proper charge against the Costs of Issuance Account.

C. Payment instructions sufficient to make the requested payment are set forth in Schedule I.

D. No portion of the amount being requested to be disbursed was set forth in any previous request for disbursement.

All capitalized terms herein shall have the meanings assigned to them in the Trust Indenture for the above-referenced Series 2021 Bonds dated as of December 1, 2002, as supplemented and amended by a First Supplemental Indenture dated as of \_\_\_\_\_, 2021 by and between the City of Chicago, Illinois and The Bank of New York Mellon Trust Company, N.A., as Trustee.

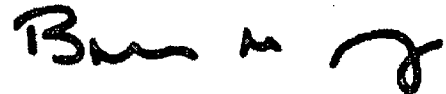
By: \_\_\_\_\_  
Authorized Officer

Schedule I

competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity or enforceability of the remainder of the sections, phrases and provisions hereof. All ordinances, orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Ordinance shall take effect and be in full force immediately upon its adoption. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the security for or payment of the instruments authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

Five copies of this Ordinance shall be published in pamphlet form, filed in the office of the City Clerk and made available for public inspection.

This Ordinance shall become effective upon its passage, approval and publication.



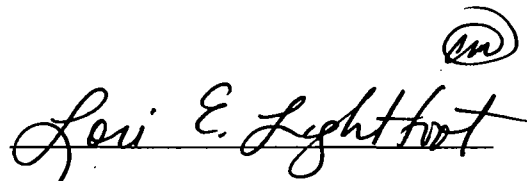
BRENDAN REILLY  
Alderman, 42nd Ward

APPROVED

  
CORPORATION COUNSEL

DATED: 9/16/21

APPROVED

  
MAYOR

DATED: 9/16/21