



Office of the City Clerk

City Hall
121 N. LaSalle St.
Room 107
Chicago, IL 60602
www.chicityclerk.com

Legislation Details (With Text)

File #: O2012-7254
Type: Ordinance **Status:** Passed
File created: 10/31/2012 **In control:** City Council
Final action: 11/15/2012
Title: Redevelopment agreement with River Point LLC for park improvements
Sponsors: Emanuel, Rahm
Indexes: Redevelopment
Attachments: 1. O2012-7254.pdf

| Date | Ver. | Action By | Action | Result |
|------------|------|----------------------|---------------------|--------|
| 11/27/2012 | 1 | Office of the Mayor | Signed by Mayor | |
| 11/15/2012 | 1 | City Council | Passed | Pass |
| 11/14/2012 | 1 | Committee on Finance | Recommended to Pass | Pass |
| 10/31/2012 | 1 | City Council | Referred | |

CHICAGO November 15, 2012 To the President and

Members of the City Council: Your Committee on Finance having had under consideration

A communication recommending a proposed ordinance concerning the authority to enter into and execute a Redevelopment Agreement with River Point, LLC.

02012-7254

Amount of Notes not to exceed:

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

**This recommendation was concurred in by
of members of the committee with**

Respectfully submitted

Chairman

Document No.

**REPORT OF THE COMMITTEE ON FINANCE TO THE CITY COUNCIL CITY OF CHICAGO
OFFICE OF THE MAYOR**

CITY OF CHICAGO
RAHM EMANUEL ■ MAYOR

October. 31. 2012

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

Ladies and Gentlemen:

At the request of the Commissioner of Housing and Economic Development, I transmit herewith an ordinance authorizing the execution of a redevelopment agreement for River Point, LL

Your favorable consideration of this ordinance will be appreciated.

Mayor

Very truly yours,

r<

ORDINANCE

WHEREAS, pursuant to an ordinance adopted by the City Council ("City Council") of the City of Chicago (the "City") on November 15, 2006 and published at pages 92019-92099 of the Journal of the Proceedings of the City Council (the "Journal") of such date, a certain redevelopment plan for the LaSalle Central Redevelopment Project Area (the "Area") was approved pursuant to the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.) (the "Act"), (such plan referred to herein as the "Plan"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 15, 2006 and published at pages 92100-92107 of the Journal of such date, the Area was designated as a redevelopment project area pursuant to the Act; and

WHEREAS, pursuant to an ordinance adopted by the City Council on November 15, 2006 and published at pages 92108-92114 of the Journal of such date, tax increment allocation financing was adopted pursuant to the Act as a means of financing certain Area redevelopment project costs (as defined in the Act) incurred pursuant to the Plan; and

WHEREAS, L&M Riverbend Venture, an Illinois partnership ("L&M"), has previously purchased and otherwise acquired approximately 111,201 square feet of real property (the "Property") located within the Redevelopment Area and legally described on Exhibit A attached hereto and made a part hereof by this reference. Approximately 66,179 square feet of the Property is immediately adjacent to the Chicago River (the "River") at the confluence of the North, South and Main branches of the River in Chicago, Illinois and is legally described on Exhibit B attached hereto and made a part hereof by this reference (the "Park Parcel"); and

WHEREAS, pursuant to an ordinance adopted by the City Council on September 10, 2008 and published at pages 36319-36422 of the Journal of such date (the "L&M RDA Ordinance"), (i) L&M was designated as the developer of a project on the Property which included the construction of an approximately one and one-half (1.5) acre public park (the "Park") on the Park Parcel and (ii) the City Department of Planning and Development, as predecessor to the City Department of Housing and Economic Development ("HED") was authorized to negotiate, execute and deliver on behalf of the City (A) a redevelopment agreement (the "L&M RDA") with L&M in the form attached as Exhibit B to the L&M RDA Ordinance, and (B) a Development, Easement and Maintenance Agreement in the form attached as Exhibit C to the L&M RDA Ordinance (the "L&M DEM Agreement"); and

WHEREAS, on or about June 12, 2012, L&M contributed the Property to River Point LLC, an Illinois limited liability company ("River Point" or "Developer") and Developer shall now commence and complete construction of the Park; and

WHEREAS, Developer wished to amend the L&M RDA to, among other things, designate River Point as Developer and eliminate the possibility of constructing a hotel on the Property; and

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WHEREAS, of the approximately 66,179 square feet comprising the Park Parcel, approximately 17,800 square feet is owned in fee by Developer and approximately 48,379 square feet is owned by Developer as air rights above Amtrak railroad facilities; and

WHEREAS, the City and the Developer (or its affiliate) have cooperated in filing an application with the United States Army Corps of Engineers, the Illinois Environmental Protection Agency and the Illinois Department of Natural Resources in order to secure the necessary approvals to in-fill approximately 2,300 square feet of the Chicago River adjacent to the Park Parcel (the "In-Fill Parcel"), which In-Fill Parcel will be used in part for the riverwalk that will be constructed as part of the Park project and will become a part of the Park Parcel; and

WHEREAS, the Park improvements to be constructed by the Developer include: (a) design and construction of a new river wall and river walk; (b) the foundations and footings for the deck above the Amtrak rail facilities, the structural supports and retaining walls for the deck, concrete decking and the ventilation, HVAC, elevator facilities, lighting, drainage and irrigation facilities; and (c) certain finished surfaces, hardscape, sidewalks, lighting, furniture, landscaping, green space and other park amenities (such improvements, collectively, the "Park Improvements"); and

WHEREAS, the Developer has agreed to grant to the City an easement interest in the Park Parcel for public open space and public park purposes, to construct the Park Improvements, and to thereafter maintain, repair and replace the Park Improvements, in accordance with the terms and conditions of this Agreement and the RDA (such activities, collectively, the "Public Park Project"); and

WHEREAS, the Public Park Project shall result in the creation of a new public open space and public park in the West Loop, with public access to the Park at various points on West Lake Street, a grand stairway entrance on North Canal Street and from the existing river walk to the north; and

WHEREAS, the Public Park Project shall eliminate a significant length of unsightly rail facilities, and shall provide a continuous, functioning river walk along the Chicago River; and

WHEREAS, public access through the public areas of an office building to be constructed on the balance of the Property, approximately 45,021 square feet of real Property (the "Developer Property"), which is immediately adjacent to and west of the Park Parcel, will be available during normal park hours; handicapped access will be available at three different entrances; and the Park and plaza will be open to the public every day from 6 a.m. to 11 p.m. Construction of the Park and related improvements set forth in (a), (b) and (c) of the prior recital, and entering into the DEM Agreement (as defined below) are collectively referred to herein as the "Project"; and

WHEREAS, the Developer shall undertake the Project (including the construction of the Park) along with certain other covenants associated with the Project, all in accordance with the Plan and pursuant to the terms and conditions of a proposed redevelopment agreement in substantially the form of Exhibit C to this ordinance (the "Redevelopment Agreement"); and

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WHEREAS, pursuant to Resolution 08-CDC-39 adopted by the Community Development Commission of the City of Chicago (the "Commission") on May 13, 2008, the Commission authorized the HED to negotiate, execute and deliver on behalf of the City a redevelopment agreement with the Owner and Developer for the Project; and

WHEREAS, the Developer has agreed to construct the Park Improvements (as defined in the DEM Agreement, as hereinafter defined), and to thereafter maintain, repair and replace the Park Improvements in perpetuity, subject to the terms and conditions of the the Development, Easement and Maintenance Agreement (River Point Park) in substantially the form of Exhibit D to this ordinance (the "DEM Agreement"); and

WHEREAS, in connection with the construction of the Park Improvements, which, with the City's consent, shall be constructed to include ah "overbuild" that will encroach over certain public right of way, as depicted in Exhibit E to this ordinance (the "Encroaching Park Improvements"), the City also desires lo grant to the Developer, its successors and assigns, an encroachment easement to allow such encroaching improvements to be located in the public way, without any further fees or grants of privilege; now, therefore,

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

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

SECTION 2. The City's acceptance of a grant of easement in perpetuity in and over the Park Parcel (as defined in the DEM Agreement) for public open space and public park purposes is hereby approved. The City's acceptance of other grants of easement and the City's grant to Developer of easement interests, rights of encroachment or similar use rights as contemplated in or as may be required in furtherance of the Redevelopment Agreement and/or the DEM Agreement are also hereby approved.

SECTION 3. The Commissioner of the Department of Housing and Economic Development and the Commissioner of the Department of Transportation ("CDOT"), or a designee of each such Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver a DEM Agreement in substantially the form of Exhibit C attached hereto and made a part hereof, with such changes, deletions and insertions as shall be approved by the persons executing the DEM Agreement and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of the DEM Agreement and the construction and operation of the Park Improvements. The Mayor or his proxy is authorized to execute, and the Commissioner of CDOT is authorized to execute, and the City Clerk is authorized to attest, such easement, instrument, or other agreement as may be necessary to allow the permitted encroachment of the Encroaching Park Improvements on the public way, and such quitclaim deed, instrument or agreement as may be necessary to convey to the Developer such rights as the City may have, if any, in the In-Fill Parcel. No further fees or grants of privilege shall be paid or required with respect to the continuing maintenance of the Encroaching Park Improvements.

SECTION 4. The Developer is hereby designated as the developer(s) for the Project pursuant to Section 5/11 -74.4-4 of the Act. Ordinance-2AmendRda-v3

SECTION 5. The Commissioner or a designee of the Commissioner are each hereby authorized, with the approval of the City's Corporation Counsel as to form and legality, to negotiate, execute and deliver the Redevelopment Agreement in substantially the form of Exhibit B attached hereto and made a part hereof, and

such other supporting documents as may be necessary to carry out and comply with the provisions of the Redevelopment Agreement, with such changes, deletions and insertions as shall be approved by the persons executing the Redevelopment Agreement. All capitalized terms, unless defined herein, shall have the same meanings as are set forth in the Redevelopment Agreement.

SECTION 6. In connection with the development of the Project, certain Amtrak Railroad rules and policies will require construction during off-peak construction times. Because the Project involves the construction of a park that is intended to be available for public use in perpetuity, for construction purposes, the Park shall be deemed a public improvement for the purposes of Chapter 11 of the City of Chicago Municipal Code and the Act. Pursuant to constructing said public improvement, Developer is authorized to perform construction during off-peak hours so long as Developer shall use good faith efforts to minimize the duration of the off-peak construction hours during construction of the Project

SECTION 7. The City shall waive those certain fees, if applicable, imposed by the City for obtaining a building permit and planned development part II review with respect to the Park Improvements and as more fully described in Exhibit F attached hereto.

SECTION 8. The City Council of the City hereby finds that the City is authorized to issue its tax increment allocation revenue obligation, in one or more notes, in an aggregate principal amount not to exceed \$29,500,000 for the purpose of paying a portion of the eligible costs included within the Project.

SECTION 9. There shall be borrowed for and on behalf of the City a principal amount not to exceed \$29,500,000 for the payment of a portion of the eligible redevelopment project costs (as such term is defined under the Act) included within the Project (such costs shall be known herein and in the Redevelopment Agreement as "TIF-Funded Improvements"). One or more notes of the City in an aggregate principal amount up to \$29,500,000 shall be issued, each as a "Tax-exempt Note" and shall be designated "Tax Increment Allocation Revenue Note (River Point Plaza Redevelopment Project), Series [A][B]" (collectively, the "City Notes"). The City Notes shall be substantially in the form attached to the Redevelopment Agreement as Exhibit M and made a part hereof, with such additions or modifications as shall be determined to be necessary by the Authorized Officer (the persons duly appointed and serving as the City Comptroller and the Chief Financial Officer of the City being each referred to herein as an "Authorized Officer") of the City, at the time of issuance to reflect the purpose of the issue. The City Notes shall be dated the date of delivery thereof, and shall also bear the date of authentication, shall be in fully registered form, shall be in the denomination of the outstanding principal amount thereof and shall become due and payable as provided therein. The proceeds of the City Notes are hereby appropriated for the purposes set forth in this Section 9.

The City Notes shall mature on the earlier of payment in full or December 31, 2030, and the shall bear interest at a fixed interest rate, as set forth in the Redevelopment Agreement, not to

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exceed eight percent (8%) per annum from the date of issuance until the principal amount of the applicable City Note is paid or until maturity, with the exact rate to be determined by the Authorized Officer in accordance with the provisions of the Redevelopment Agreement, computed on the basis of a 360-day year of twelve 30-day months.

The principal of and interest on the City Notes shall be paid by check, draft or wire transfer of funds by

the City Comptroller of the City, as registrar and paying agent (the "Registrar"), payable in lawful money of the United States of America to the persons in whose names the City Notes are registered at the close of business on the payment date, in any event no later than at the close of business on the 15th day of the month immediately prior to the applicable payment date; provided, that the final installment of the principal and accrued but unpaid interest of the City Notes shall be payable in lawful money of the United States of America at the principal office of the Registrar or as otherwise directed by the City on or before the maturity date.

The seal of the City shall be affixed to or a facsimile thereof printed on the City Notes, and the City Notes shall be signed by the manual or facsimile signature of the Mayor of the City and attested by the manual or facsimile signature of the City Clerk of the City, and in case any officer whose signature shall appear on the City Notes shall cease to be such officer before the delivery of the City Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

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

SECTION 10. The City shall cause books (the "Register") for the registration and for the transfer of the City Notes (to the extent such transfer is permitted under the Redevelopment Agreement) as provided in this Ordinance to be kept at the principal office of the Registrar, which is hereby constituted and appointed the registrar of the City for the City Notes. The City is authorized to prepare, and the Registrar shall keep custody of, multiple City Note blanks executed by the City for use in the transfer of the City Notes.

Upon surrender for a transfer of a City Note authorized under the Redevelopment Agreement at the principal office of the Registrar, duly endorsed by, or accompanied by (i) a written instrument or instruments of transfer in form satisfactory to the Registrar, (ii) an investment representation in form satisfactory to the City and duly executed by, the registered owner or his attorney duly authorized in writing, (iii) the written consent of the City evidenced by the signature of the Authorized Officer (or his or her designee) and the Commissioner on the instrument of transfer, and (iv) any deliveries required under the Redevelopment Agreement, the City shall execute and the Registrar shall authenticate, date and deliver in the name of any such Ordinance-2AmendRda-v3

authorized transferee or transferees a new fully registered City Note of the same maturity, of authorized denomination, for the authorized principal amount of the City Note less previous retirements. The execution by the City of a fully registered City Note shall constitute full and due authorization of the City Note and the Registrar shall thereby be authorized to authenticate, date and deliver the City Note. The Registrar shall not be required to transfer or exchange a City Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of the City Note nor to transfer or exchange a City Note after notice calling a City Note for prepayment has been made, nor during a period of five (5) days next preceding mailing of a notice of prepayment of principal of a City Note. No beneficial interests in a City Note shall be assigned, except in accordance with the procedures for transferring a City Note described above.

The person in whose name each City Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of a City Note shall be made only to or

upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon the City Notes to the extent of the sum or sums so paid.

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

SECTION 11. Subject to the limitations set forth herein, the Authorized Officer is authorized to determine the terms of the City Notes and to issue the City Notes in accordance with the provisions of the Redevelopment Agreement, with revisions to such terms as the Authorized Officer determines to be consistent therewith and to be in the best interest of the City. The principal of the City Notes shall be subject to prepayment as provided in the form of City Notes attached to the Redevelopment Agreement as Exhibit M. As directed by the Authorized Officer, the Registrar shall proceed with prepayment without further notice or direction from the City.

SECTION 12. The City Notes hereby authorized shall be executed as in this Ordinance and the Redevelopment Agreement provided as soon after the passage hereof as may be practicable and consistent with the terms of the Redevelopment Agreement and thereupon, said City Notes shall be deposited with the Commissioner, and delivered by the Commissioner to the Developer.

SECTION 13. The City Notes are special limited obligations of the City, and are payable solely from the Available Incremental Taxes (as defined in the Redevelopment Agreement) on deposit in the Project Account (the "Project Account") of the LaSalle Central Redevelopment Project Area TIF Fund (the "Fund"), which is hereby created, and shall be a valid claim of the registered owners thereof only against said sources. The City Notes shall not be deemed to constitute an indebtedness or a loan against the general taxing powers or credit of the City, within the meaning of any constitutional or statutory provision. The registered owner(s) of the City Notes shall not have the right to compel any exercise of the taxing power of the City, the Ordinance-2AmendRda-v3 ■' ,'

State of Illinois or any political subdivision thereof to pay the principal of or interest on the City Notes.

SECTION 14. There is hereby created within the Fund a special sub-account to be known as the "River Point LLC Project Account" (the "Project Account"). The City shall designate and deposit into the Project Account the Available Incremental Taxes (as defined in the Redevelopment Agreement). The City hereby assigns, pledges and dedicates the Project Account, together with all amounts on deposit therein, to the payment of the principal of and interest, if any, on the City Notes when due under the terms of the Redevelopment Agreement and in accordance with the debt service schedules to be attached to the City Notes pursuant to the terms of the Redevelopment Agreement. Upon deposit, the moneys on deposit in the Project Account may be invested as hereinafter provided. Interest and income on any such investment shall be deposited in the Project Account. All moneys on deposit in the Project Account shall be used to pay the principal of and interest on the City Notes, at maturity or upon payment or redemption prior to maturity, in accordance with the terms of such notes, which payments from the Project Account are hereby authorized and appropriated by the City. Upon payment of all amounts due under the City Notes and the Redevelopment Agreement in accordance with their terms, the amounts on deposit in the Project Account, as applicable shall be deposited in the Fund of the City and the Project Account shall be closed. Notwithstanding any of the

foregoing, payments on the City Notes will be subject to the availability of Available Incremental Taxes in the Project Account. Moneys on deposit in the Fund may be invested as allowed under Section 2-32-520 of the Municipal Code of the City of Chicago (the "Municipal Code"). Each such investment shall mature on a date prior to the date on which said amounts are needed to pay the principal of or interest on the City Notes.

SECTION 15. Pursuant to the Redevelopment Agreement, the Developer shall complete the Project. The eligible redevelopment project costs of the Project constituting TIF-Funded Improvements up to the principal amount of \$29,500,000, when evidenced by Certificates of Expenditure shall be deemed to be a disbursement of the proceeds of the City Notes. Upon issuance, the City Notes shall have in the aggregate an initial principal balance equal to the Developer's prior expenditures for TIF-Funded Improvements up to a maximum amount of \$29,500,000, as evidenced by Certificates of Expenditures delivered in accordance with the Redevelopment Agreement, and subject to the reductions described in the Redevelopment Agreement prior, to issuance of the City Notes. After issuance, the principal amount outstanding under the City Notes shall be the initial principal balance of the City Notes, minus any principal amount and interest paid on the City Notes and other reductions in principal as provided in the Redevelopment Agreement, as evidenced by Certificates of Expenditures delivered in accordance with the Redevelopment Agreement.

SECTION 16. The Mayor, the Authorized Officer, the City Clerk, the Commissioner (or his or her designee) and the other officers of the city are authorized to execute and deliver on behalf of the City such other documents, agreements and certificates and to do such other things consistent with the terms of this Ordinance as such officers and employees shall deem necessary or appropriate in order to effectuate the intent and purposes of this Ordinance.

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SECTION 17. The Registrar shall maintain a list of the names and address of the registered owners from time to time of the City Notes and upon any transfer shall add the name and address of the new registered owner and eliminate the name and address of the transferor.

SECTION 18. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the City Notes. All covenants relating to the City Notes are enforceable by the registered owners of the City Notes.

SECTION 19. If any provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the other provisions of this Ordinance.

SECTION 20. All ordinances, resolutions, motions or orders in conflict with this Ordinance are hereby repealed to the extent of such conflict.

SECTION 21. This Ordinance shall be in full force and effect immediately upon its passage.

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\See

Entire Parcel:

LOTS 1, 2, 3, 4 AND 4A IN THE RIVERPOINT SUBDIVISION, BEING A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED MARCH 24, 2009 AS DOCUMENT NUMBER 0908310021, IN COOK COUNTY, ILLINOIS.

Exhibit B Legal Description of Park Parcel

[See Attached]

Park Parcel:

LOTS 2 AND 3 IN THE RIVERPOINT SUBDIVISION, BEING A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED MARCH 24, 2009 AS DOCUMENT NUMBER 0908310021, IN COOK COUNTY, ILLINOIS.

Exhibit C Redevelopment Agreement

[See Attached Form]

ORDINANCE VERSION

RIVER POINT PLAZA REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO AND RIVER
POINT LLC

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

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[Intentionally omitted] *Permitted Liens
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•Preliminary TIF Projection - Real Estate Taxes Requisition Form
*Form of City Note]
Amortization Schedule of City Note to be attached at Issuance Public Benefits Program-[Intentionally
Excluded-Not Applicable]
Form of Subordination Agreement Form of Payment Bond

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

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

This space reserved for Recorder's use only.

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RIVER POINT PLAZA REDEVELOPMENT AGREEMENT

This River Point Plaza Redevelopment Agreement (this "Agreement") is made as of this day of _____, 201____, by and between the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Housing and Economic Development ("HED"), and River Point LLC, a Delaware limited liability company (the "Developer").

RECITALS

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

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

C. City Council Authority: To induce redevelopment pursuant to the Act, the City Council of the City (the "City Council") adopted the following ordinances on November 15, 2006: (1) "An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the LaSalle Central Redevelopment Project Area"; (2) "An Ordinance of the City of Chicago, Illinois Designating the LaSalle Central Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act"; and (3) "An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the LaSalle Central Redevelopment Project Area" (the "TIF Adoption Ordinance") (items(1)-(3) collectively referred to herein as the "TIF Ordinances"). The redevelopment project area referred to above (the "Redevelopment Area") is legally described in Exhibit A hereto.

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D. The Project: The Developer has purchased (the "Acquisition") certain property located within the Redevelopment Area immediately adjacent to the Chicago River (the "River") at the confluence of the North, South and Main branches of the River in Chicago, Illinois and legally described as Lot 2 and Lot 3 on Exhibit B hereto (the "Park Property"), and, within the time frames set forth in Section 3.01 hereof, shall commence and complete construction of an approximately one and one-half (1.5) acre public park on the Park Property (the "Park"). Of the approximately 66,179 square feet comprising the Park Property, approximately 17,800 square feet is owned in fee by Developer and approximately 48,379 square feet is also owned by Developer in fee but consists of air rights above Amtrak railroad facilities. Construction of the Park shall include several components including: (a) the design and construction of a new river wall and river walk, the foundations and footings for the deck above the rail facilities, the structural supports and retaining walls for the deck, concrete decking and the ventilation, HVAC, (if any), elevator, lighting, drainage and irrigation facilities (collectively, the "Project Deck"); (b) design, construction and installation of finished surfaces, hardscape, sidewalks, lighting, and furniture; and (c) installation of landscaping, green space and other park amenities. As set forth in the Park DEM Agreement (as hereinafter defined), public access to the park will occur at various points on West Lake Street, a grand stairway entrance on North Canal Street and from the existing river walk to the north of the Park Property. In addition, public access through the lobby of an office building proposed to be

constructed on the Developer Property (as defined below), as set forth below, will be available during normal park hours. Handicapped access will be available at three different entrances. The Park and plaza will be open to the public every day from 6 a.m. to 11 p.m. Construction of the Park and related improvements set forth in clauses (a), (b) and (c) above (including but not limited to those TIF-Funded Improvements as defined below and set forth on Exhibit C) is referred to herein as the "Project." The completion of the Project would not reasonably be anticipated without the financing contemplated in this Agreement.

Other Permits, Park Use, Other Uses & Park Easement: Completion of the Project shall require the City, with the support and assistance of Developer, to apply for necessary permits and approvals to encroach into the River (such river encroachment area, the "In-Fill Property"). Upon receiving said approvals and permits, the Commissioner of the Department of Transportation shall grant Developer such rights and approvals to construct and maintain the Project on the In-Fill property, all as set forth in the Park DEM Agreement. The City shall bear no cost or liability for filling applications for and attempting to obtain the approvals required to acquire the In-Fill Property. The City shall use its best efforts (as reasonably determined by the City acting alone) to obtain approvals needed to acquire the In-Fill Property. Developer also owns approximately 45,021 square feet of property (the "Developer Property") immediately adjacent to and west of the Park Property which property is legally described as Lot 1, Lot 4 and Lot 4A on Exhibit B hereto. In connection with the construction of the Project, Developer will construct an office tower with ground floor retail (the "Office Project") on a portion of the Developer Property. In order to enhance the Park, a limited portion of the Park Property may be used for outdoor dining, subject to the receipt of all the customary permits as may be applicable for such use. In order to insure that the Park Property shall be used as a Public Park, pursuant to the Development Easement and Maintenance Agreement of even date herewith (the "Park DEM Agreement"), Developer will grant an easement (the "Park Easement") to the City at closing. As provided in the Park DEM Agreement, the Developer shall be responsible for certain costs of landscaping, development and maintenance of the Park. The Park Easement and Developer's

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responsibility for such costs shall be set forth in detail in the Park DEM Agreement. The Park DEM Agreement shall also set forth how organized program activities in the Park shall be determined.

E. Redevelopment Plan: The Project will be carried out in accordance with this Agreement and the City of Chicago LaSalle Central Redevelopment Project Area Tax Increment Finance District Eligibility Study Redevelopment Plan and Project (the "Redevelopment Plan") attached hereto as Exhibit D.

F. City Financing: The City agrees to use, in the amounts set forth in Section 4.03 hereof, (i) Available Incremental Taxes (as defined below) to pay principal and interest on the City Note, and/or (ii) Incremental Taxes to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Note. Upon recordation of this Agreement, the Developer shall have priority for Available Incremental Taxes ahead of all projects EXCEPT for the projects to be completed pursuant to (1) that certain redevelopment agreement (the "Navteq RDA") entered into as of January 21, 2010 by and between the City and the Navteq Corporation and recorded on January 26, 2010 as document number 1002612025 and (2) that certain redevelopment agreement (the "Ziegler RDA") entered into as of _____, 20____ by and between the City and the Ziegler Companies, Inc. and B.C. Ziegler and Company and recorded on _____, 20____. The parties agree and understand that: (i) because the costs of TIF-Funded Improvements are being paid from Incremental Taxes deposited in the LaSalle Central Redevelopment Project Area TIF Fund attributable to the taxes levied on the Park Property and the Developer Property, and (ii)

completion of a portion of the Office Project on the Developer Property is a condition to the City's issuance of the Certificate and subsequently the City Note that (iii) on or after the date of this Agreement, the City shall not allocate or pledge the Available Incremental Taxes (as defined below) required to make payments on the City Note (pursuant to the debt service schedule to be attached upon Issuance) to any entity other than Developer and/or any of its Affiliates.

The City may, in its discretion, [but subject to the limitations set forth herein], issue tax increment allocation bonds ("TIF Bonds") secured by Incremental Taxes pursuant to a TIF bond ordinance (the "TIF Bond Ordinance") at a later date as described in Section 4.03(d) hereof, the proceeds of which (the "TIF Bond Proceeds") may be used to pay for the costs of the TIF-Funded Improvements not previously paid for from Available Incremental Taxes (including any such payment made pursuant to any City Note provided to Developer pursuant to this Agreement) or Incremental Taxes], to make payments of principal and interest on the City Note, or in order to reimburse the City for the costs of TIF-Funded Improvements.

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

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SECTION 1

RECITALS

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

SECTION 2 DEFINITIONS

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

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

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

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

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

"Annual Compliance Report" shall mean a signed report from the Developer to the City (a) itemizing each of the Developer's obligations under the RDA during the preceding calendar year, (b) certifying the Developer's compliance or noncompliance with such obligations, (c) attaching evidence (whether or not previously submitted to the City) of such compliance or noncompliance and (d) certifying that the Developer is

not in default with respect to any provision of the RDA, the agreements evidencing the Lender Financing, if any, or any related agreements; provided, that the obligations to be covered by the Annual Compliance Report shall include the following: (1) compliance with the Covenant to Maintain the Park (Section 8.06); (2) delivery of Financial Statements and unaudited financial statements (Section 8.13); (3) delivery of updated insurance certificates, if applicable (Section 8.14); (4) delivery of evidence of payment of Non-Governmental Charges, if applicable (Section 8.15); and (5) compliance with all other executory provisions of the RDA.

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes deposited in the LaSalle Central Redevelopment Project Area TIF Fund attributable to the taxes levied on the Park Property and the Developer Property.

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

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

"Certificate" shall mean the Certificate of Completion of Construction described in Section 7.01 hereof.

"Certificate of Expenditure" shall mean any Certificate of Expenditure referenced in the City Note pursuant to which the principal amount of the City Note will be established.

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"Change Order" shall mean any amendment or modification to the Scope Drawings, Plans and Specifications or the Project Budget as described in Section 3.02, Section 3.03, Section 3.04 and Section 3.05 respectively.

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

"City Funds" shall mean the funds paid to the Developer pursuant to the City Note as further described in Section 4.03(b).

"City Note" shall mean collectively:

1) City Note A. The TAX INCREMENT ALLOCATION REVENUE NOTE (RIVER POINT PLAZA REDEVELOPMENT PROJECT), TAX EXEMPT SERIES A, to be in the form attached hereto as Exhibit M-L in an initial principal amount equal to the amount of the Project Deck Costs which have been incurred by the Developer by the Issuance Date up to a maximum principal amount of \$29,500,000. Subject to (A) the maximum principal amount and (B) the amount of Project Deck Costs certified by the City, the determination of the initial principal amount of City Note A shall be subject to an investor letter provided by a qualified investment banker that City Note A can be supported to such initial principal amount given market conditions as of the date of the investor letter. City Note A shall be tax exempt and shall have a senior lien on Available Incremental Taxes. Upon issuance, the City will issue an amortization schedule for City Note A.

2) City Note B. The TAX INCREMENT ALLOCATION REVENUE NOTE (RIVER POINT PLAZA REDEVELOPMENT PROJECT), TAX EXEMPT SERIES B, to be in the form attached hereto as Exhibit M-2. in an initial principal amount equal to the amount of Project Deck Costs which have been incurred by the Developer by the Issuance Date up to a maximum principal amount of the difference between the principal amount of City Note A and the total amount of Project Deck Costs

that have been incurred by the Developer and certified by the City (up to a maximum amount of \$29,500,000). Note B shall be tax exempt and shall have a subordinate lien on Available Incremental Taxes. Upon issuance, the City will issue an amortization schedule for Note B.

The City Note shall be issued on the same day the Certificate is issued, pursuant to Section 7.01 hereof, and bear interest at a rate equal to the average median value of the BAA Uninsured G.O. Bond Index as published by Municipal Market Data (MMD) Reuters for a period of fifteen (15) business days prior to the Issuance Date plus 200 basis points up to a maximum of eight percent (8%) per annum which interest shall compound annually.

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

"Construction Contract" shall mean that certain contract, submitted to HED in accordance with Section 6.02, to be entered into between the Developer and the General Contractor providing for construction of the Project.

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

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

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

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

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

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

"Escrow Agreement" shall mean the Escrow Agreement establishing a construction escrow for the Project, to be entered into as of the date hereof by the Title Company (or an affiliate of the Title Company), the Developer and the Developer's lender(s), if any, substantially in the form of Exhibit F attached hereto. The Escrow Agreement shall provide that: (i) the City shall receive a copy of the Escrow Agreement, copies of all disbursement requests, and copies of all inspecting agent reports required by the lender to disburse loan proceeds; (ii) all draw requests from the Escrow must be accompanied by, among other things, invoices, canceled checks, lien waivers owner's sworn statement, general contractor's sworn statement and MBE/WBE subcontractor contract amounts and certification letters as a prerequisite to disbursement and (iv) the City shall

be a party to the Escrow Agreement for the purpose of receiving copies of all disbursement requests and the ability to request and receive information about the Escrow from the Title company.

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

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

"General Contractor" shall mean shall mean Clark/McHugh, a Joint Venture, formed by and between Clark Construction Group, LLC, a Maryland limited liability company and James McHugh Construction Co., an Illinois corporation, which has been hired by Developer pursuant

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to Section 6.01, and approved by HED, or, upon Developer's request, such other general contractor as may be approved by HED in its reasonable discretion.

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

"Incremental Taxes" shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/1 1-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the LaSalle Central Redevelopment Project Area TIF Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

"Issuance Date" shall mean the date upon which the City Note and the Certificate are issued.

"LaSalle Central Redevelopment Project Area TIF Fund" shall mean the "LaSalle Central Redevelopment Project Area Special Tax Allocation Fund" which is the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

"Lender Financing" shall mean funds borrowed by the Developer, if any, from lenders and irrevocably available to pay for Project costs.

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

"MBE/WBE Budget" shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

"Maintenance Reserve" shall have the meaning set forth in the Park DEM Agreement.

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

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

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

"Park DEM Agreement" shall have the meaning set forth in the Recitals hereof.

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

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"Permitted Lender" shall mean a lender providing Lender Financing or any other lender having a Permitted Mortgage, including, without limitation, Ivanhoe Cambridge and its subsidiaries and affiliates.

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

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

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

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

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

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

"Project Deck Costs" shall mean the TIF Funded Improvements which are costs of designing and constructing the Project Deck, as detailed on Exhibit C.

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

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

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

"Requisition Form" shall mean the document, in the form attached hereto as Exhibit L, to be delivered by the Developer to HED pursuant to Section 4 of this Agreement.

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

"Survey" shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM [land title][urban] survey of the Park Property (including the Park Easement) dated, as applicable, within 45 days prior to the Closing Date, within 45 days [after the issuance of the Certificate OR of substantial completion of the Project Deck], and as received by any Permitted Lender, if any, each of which shall be acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Park Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency.

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"Term of the Agreement" shall mean the period of time commencing on the Closing Date and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2030).

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

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

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

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

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

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

"Title Company" shall mean Chicago Title Insurance Company.

"Title Policy" shall mean the following title insurance policies in the most recently revised ALTA or equivalent form issued by the Title Company: (i) a policy showing the Developer as the insured owner of the Park Property, noting the recording of this Agreement and the Park DEM Agreement as encumbrances against the Park Property and the Developer Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Park Property and Developer Property related to Lender Financing, if any (the "Developer's Title Policy"), and (ii) a policy showing the City as the insured owner of the Park Easement, noting recording of the Park DEM Agreement and this Agreement, and a subordination agreement in favor of the City (or other Park Easement holder) with respect to previously recorded liens against the Park Property and the Developer Property related to Lender Financing, if any (the "City's Title Policy").

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

"WBE(s)" shall mean a business identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of

Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

SECTION 3

THE PROJECT

3.01 The Project. With respect to the Project, the Developer shall, pursuant to the Plans and Specifications and subject to the provisions of Section 18.17 hereof: (i) commence construction of the Park no later than December 31, 2012; and (ii) complete

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construction and make the Park available for public use no later than June 30, 2017. In connection with the development of the Project, certain railroad rules and policies will require construction during off-peak construction times, Developer is incurring substantial cost in order to comply with these rules and policies and thus it is in Developer's best interest to minimize work during these off-peak times. It is acknowledged that for the purposes of Chapter 11 of the City of Chicago Municipal Code and in light of the applicable railroad rules and policies, the Park shall be deemed a public improvement. Developer agrees that it shall use good faith efforts to minimize the duration of the off-peak construction hours during the construction of the Project.

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

3 Project Budget. The Developer shall furnish to HED, and HED shall approve in writing, a Project Budget showing total costs for the Project of Fifty-Seven Million Three Hundred Sixty-Five Thousand Three Hundred Ninety-Eight and No/100 Dollars (\$57,365,398), which includes anticipated Project Deck Costs of at least Twenty Nine Million Five Hundred Thousand and No/100 Dollars (\$29,500,000). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing, if any, and Equity described in Section 4.02 hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. Notwithstanding the foregoing, to the extent the Project is undertaken with Equity and without Lender Financing, line items in the Project Budget identified as Financing Fees and Interests Costs may be reduced to the extent such fees and costs are not incurred, but such reduction shall not reduce the City's obligation to reimburse City Funds in the amount of \$29,500,000 for Project Deck Costs. The Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to Section 3.04 hereof.

4 Change Orders. Except as provided below, all Change Orders (and documentation substantiating the need and identifying the source of funding therefor) relating to material changes to the Project must be submitted by the Developer to HED concurrently with the progress reports described in Section 3.07 hereof; provided, that any Change Order relating to any of the following must be submitted by the Developer to HED for HED's prior written approval: (a) a reduction in the square footage of the Project by five percent (5%) or more (individually or cumulatively); (b) a change in the use of the Park

Property to a use other than a park; (c) a delay in the commencement by more than six (6) months so long as HED is notified in writing of such delay and the reason therefore and/or completion of the Project by six (6) months or more; (d) Change Orders resulting in an aggregate modification to the Project Budget of five percent (5%) or more (excluding any Financing Fees and Interest Costs); or

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(e) any material revision of the Scope Drawings or Plans and Specifications. The Developer shall not authorize or permit the performance of any work relating to any Change Order or the furnishing of materials in connection therewith prior to the receipt by the Developer of HED's written approval (to the extent required in this section). An approved Change Order shall not be deemed to imply any obligation on the part of the City to increase the amount of City Funds which the City has pledged pursuant to this Agreement or provide any other additional assistance to the Developer. Notwithstanding anything to the contrary in this Section 3.04, Change Orders resulting in an aggregate modification to the Project Budget of less than five percent (5%) (excluding any Financing Fees and Interest Costs), non-material revisions of the Scope Drawings or the Plans and Specifications, and changes to the Project Budget as a result of the Developer's election to proceed with equity financing in lieu of debt financing do not require HED's prior written approval as set forth in this Section 3.04, but HED shall be notified in writing of all such Change Orders.

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

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

7 Progress Reports and Survey Updates. The Developer shall provide HED with written quarterly progress reports detailing the status of the Project, (including duplicates of applicable support documentation verifying the disbursement and receipt of Project funds - i.e. invoices, cancelled checks and/or lien waivers) also including a revised commencement and/or completion date, if necessary (with any change in commencement and/or completion date of more than six (6) months being considered a Change Order, requiring HED's written approval pursuant to Section 3.04). Following substantial completion of the Project Deck, the Developer shall provide three (3) copies of an updated Survey to HED upon the request of HED or any Permitted Lender, reflecting improvements made to the Park Property. The City shall also have the right to review any and all draw requests from the Escrow; all such draw requests must be accompanied by, among other things, invoices, canceled checks, lien waivers owner's sworn statement, general contractor's sworn statement and MBE/WBE subcontractor contract amounts and certification letters.

8 Inspecting Agent or Architect. If requested by HED, an independent agent or architect selected by one of the Permitted Lenders providing Lender Financing (and approved by HED) or HED shall perform periodic inspections with respect to the

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Project, and provide certifications with respect thereto to HED, prior to requests for HED to execute a Certificate of Expenditure.

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

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

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

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

SECTION 4 FINANCING

4.01 Total Project Cost and Sources of Funds. The Project Deck Costs are estimated to be \$29,500,000, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to Sections 4.06)* \$29,500,000

Estimated City Funds (subject to Section 4.03) (\$29,500,000 - to be issued upon completion as reimbursement for payment of TIF Funded Improvements)

ESTIMATED TOTAL-PROJECT \$29,500,000 REIMBURSEMENT

[*NOTE: Developer reserves the right to use Lender Financing to pay for all or any portion of the Project Costs.]

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The total cost of the Project (including the Project Deck) as set forth in Exhibit H is approximately Fifty-Seven Million Three Hundred Sixty-Five Thousand Three Hundred Ninety-Eight and No/100 Dollars (\$57,365,398), subject to reduction of up to Seven Million Forty-One Thousand Sixty-Eight and no/100 Dollars (\$7,041,068)

in Financing Fees and Interest Costs if only Equity is used to pay such costs.

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

3 **City Funds.**

a) Uses of City Funds. City Funds may only be used to reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the maximum amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(b) and 4.05(d)), contingent upon receipt by the City of Certificate(s) of Expenditure in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to the Developer hereunder for Project Deck Costs prior to the issuance of a Certificate.

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

Source of City Funds

Maximum Amount

City Note (to be paid from Available Incremental Taxes \$29,500,000 or Bond Proceeds as reimbursement for Project Deck Costs)

Subject to the terms and conditions of this Agreement, including but not limited to this Section 4.03 and Section 5 hereof, the City hereby agrees to issue the City Note to the Developer upon issuance of the Certificate pursuant to Section 7.01 hereof. The maximum principal amount of the City Note shall be an amount equal to the costs of the TIF-Funded Improvements for completing the Project Deck which have been incurred by the Developer, not to exceed \$29,500,000; provided, however, that payments under the City Note are subject to the amount of Available Incremental Taxes deposited into the LaSalle Central Redevelopment Project Area TIF Fund being sufficient for such payments.

(i) Reduction of Project Reimbursement Amount; Cost Overruns. The City shall provide Developer with TIF assistance to construct the Project Deck portion of the Project in an amount of up to \$29,500,000 provided, however, that if the Certificate(s) of Expenditure reflecting Project Deck Costs are less than

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\$29,500,000, then the City shall reduce the amount of TIF assistance (and the principal value of the City Note) by the amount by which the Project Deck Costs are less than \$29,500,000 (such amount, as applicable, the "Project Reimbursement Amount"). Developer shall be solely responsible for all costs of the Project over the Project Reimbursement Amount, including any cost overruns.

ii) Expense Certification, Amortization, Prepayment, Requisition Form and Other City Note Matters. Project Deck Costs will be certified by the Developer pursuant to Certificate (s) of Expenditure to, and approved by, the City on or before the Issuance Date. The Note will be supported solely from the ad valorem taxes which are allocated to, and when collected, are paid to the City Treasurer for deposit by the Treasurer into the LaSalle Central Redevelopment

Project Area TIF Fund which are attributable to the taxes levied and collected on the Park Property and the Developer Property; provided, however, at its option, the City may issue tax increment allocation bonds secured by Incremental Taxes pursuant to a TIF bond ordinance and, subject to the applicable pre-payment restrictions, use to proceeds from such bond issuance(s) to pay off the City Note. No payments will be made and no interest shall accrue on the City Note until after it is issued. Upon issuance, the City will calculate an amortization schedule for each City Note and each of the City Note(s) shall be amortized according to the attached amortization schedule. The City may not pre-pay the City Note for a period of five years.

iii) Assignment, Pledge or Transfer of City Note. The City Note may be assigned or pledged as collateral to any Permitted Lender and/or may be sold or assigned to a qualified purchaser, as such term is defined in the Investment Company Act of 1940, after the Issuance Date upon thirty (30) days prior written notice to the City, which written notice shall include evidence acceptable to the City and the Corporation Counsel that any qualified purchaser is such as defined in the Investment Company Act of 1940. Upon foreclosure or a conveyance in lieu of foreclosure, any Permitted Lender shall be permitted to take title to and become the holder of either or both of the City Note(s) with all rights of payment upon thirty (30) days prior written notice to the City. Developer also may transfer the City Note at any time to any Affiliate. In order to receive payments on the City Note, Developer (or holder of the City Note(s) as applicable) must submit a requisition form (the "Requisition Form") in the form attached hereto as Exhibit L by December 31st of each calendar year. The City shall make good faith efforts to make any payments due on the City Note pursuant to each applicable and timely submitted Requisition Form by the first business day in April following submission of the applicable Requisition Form (e.g., for Requisition Form submitted by December 31, 2011, the City will make good faith efforts to make payment by April 1, 2012.)

(c) TIF Bonds. The Commissioner of HED may recommend that the City Council approve an ordinance or ordinances authorizing the issuance of TIF Bonds.

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The Developer will cooperate with the City in the issuance of TIF Bonds, as provided in Section 8.05 hereof.

4 Construction Escrow; Certificate of Expenditure. The Developer shall enter into the Escrow Agreement with the General Contractor, Permitted Lender(s) and Title Company. All disbursements of Project funds which consist of Equity not expended as of the Effective Date and/or Lender Financing shall be made through the funding of draw requests with respect thereto pursuant to the Escrow Agreement and this Agreement. In case of any conflict between the terms of this Agreement and the Escrow Agreement relating to the Project (including the dispersal of funds for the Project through the Escrow), the terms of this Agreement shall control. The City shall be a party to the Escrow Agreement for the purpose of being allowed to receive (i) any and all information it requests from the Title Company and (ii) copies of any draw requests and related documents. The City must receive copies of any draw requests and related documents submitted to the Title Company for disbursements under the Escrow Agreement.

Within thirty (30) days prior to issuance of the Certificate pursuant to Section 7.01 hereof, the Developer shall provide HED with Certificate(s) of Expenditure, along with the documentation described therein and otherwise requested by HED. Upon certification of the expenses set forth in the Certificate of

Expenditure by HED, the Certificate of Expenditure shall be affixed to the City Note and thereby determine the outstanding value thereof.

5 Treatment of Prior Expenditures and Subsequent Disbursements.

a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project prior to the Closing Date, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). HED shall have the right, in its sole discretion, to disallow any such expenditure as a Prior Expenditure. Exhibit I hereto sets forth the prior expenditures approved by HED as of the date hereof as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but may reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to Section 4.01 hereof.

b) Purchase of Property. [INTENTIONALLY LEFT BLANK].

c) City Fee. [INTENTIONALLY LEFT BLANK].

d) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line only, with transfers of costs and expenses from one line item to another, without the prior written consent of HED, being prohibited; provided, however, that such transfers among line items, in an amount not to exceed five percent (5%) of the Project Budget in the aggregate, may be made without the prior written consent of HED.

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

7 Preconditions of Disbursement and Execution of Certificate of Expenditure. Prior to the execution of any Certificate(s) of Expenditure by the City, the Developer shall submit documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by the Developer to HED of any request for the execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such execution of a Certificate of Expenditure, as applicable, that:

a) the total amount of the disbursement request or the request for Certificate of Expenditure, as applicable, represents the actual cost of the Acquisition, the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees, or other actual Project Deck Costs incurred by Developer;

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

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

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

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

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

g) If the Project has not been completed, that the Project is In Balance. The Project shall be deemed to be in balance ("In Balance") only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. "Available Project Funds" as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited, if any, by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within

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10 days after a written request by the City, deposit with the escrow agent or will make available (in a manner acceptable to the City), cash in an amount that will place the Project In Balance which deposit shall first be exhausted before any further disbursement of the City Funds shall be made.

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

8 Conditional Grant. Prior to the Issuance Date, the City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement.

9 Cost of Issuance. The Developer shall be responsible for paying all costs relating to the issuance of the City Note, including costs relating to the opinion described in Section 5.09(b) hereof.

SECTION 5

CONDITIONS PRECEDENT

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

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

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

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

4 Financing. The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and, if applicable, Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with the Equity set forth in Section 4.01) to

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complete the Project. If applicable, any liens against the Park Property in existence at the Closing Date relating to Lender Financing have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County, against the Park Property and the Developer Property.

5.05 Acquisition and Title. As of the Closing Date, the Developer has furnished the City with

A. A copy of the Title Policy for the Park Property, certified by the Title Company, showing:

- (a) The Developer as the named insured. The Title Policy shall be dated as of the Closing Date and contain only those title exceptions listed as Permitted Liens on

Exhibit G hereto and evidences the recording of this Agreement pursuant to the

- provisions of Section 8.18 hereof. The Title Policy also shall contain such endorsements as may be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning, contiguity, location, [pedestrian] access and survey. The Developer has provided to HED, on or prior to the Closing Date, documentation related to the purchase of the Developer Property and the Park Property and certified copies of all easements and encumbrances of record with respect to the Developer Property and the Park Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

- (b) The City as the sole beneficiary of the Park Easement. The Title Policy shall be dated as of the Closing Date and contain only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidence the recording of (i) this Agreement

pursuant to the provisions of Section 8.18 hereof, and (ii) the Park DEM Agreement according to the applicable provisions therein. The Title Policy shall also contain such endorsements as may be reasonably required by Corporation Counsel, including but not limited to satisfactory endorsements regarding zoning, contiguity, location, [pedestrian] access and survey.

B. A copy of the Developer's owner's title policy for the Developer Property, certified by the Title Company, showing the Developer as owner of the Developer Property and the named insured with condition of the owner's title reasonably acceptable to the City.

5.06 Evidence of Clean Title. The Developer, at its own expense, has provided the City with searches under the Developer's name (and the following names of Developer related entities): River Point Investment Trust; River Point Holdings LLC; IC 444 West Lake Street LLC; L&M Riverbend Venture; Hines 200 North Riverside Limited Partnership; Hines 200 North Riverside GP, LLC; Hines Interests Limited Partnership; Hines Holdings, Inc.; Levy Riverbend Limited Partnership; Levy Riverbend Corporation; Levy Riverbend LLC; Levy Family Partners LLC; SITQ US Investments Inc.; SITQ E.U. L.P.; SITQ

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Placements Inc.; and SITQ E.U. Inc. (along with any other Developer related entities the City may reasonably require) as follows:

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

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

7 Surveys. The Developer has furnished the City with three (3) copies of the Survey which shall be subject to approval by the City which approval shall be provided in writing..

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

evidencing the required coverages to HED.

9

Opinion of the Developer's Counsel.

a) On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as Exhibit J, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in Exhibit J hereto, such opinions were obtained by the Developer from its general corporate counsel.

b) On the Issuance Date, the City has received from [Foley & Lardner], special counsel, an opinion regarding the tax-exempt status and enforceability of the City Note, in form and substance acceptable to Corporation Counsel.

10 Evidence of Prior Expenditures. The Developer has provided evidence satisfactory to HED in its sole discretion of the Prior Expenditures set forth on Exhibit I in accordance with the provisions of Section 4.05(a) hereof.

11 Financial Statements. The Developer has provided unaudited financial Statements to HED for L&M Riverbend Venture ("L&M") for L&M's most recent three (3) fiscal years, and unaudited interim financial statements for Developer. Developer shall, upon request by HED, provide on-going financial statements for Developer prior to the Issuance of the City Note. The financial statements shall include financial statements of any publicly traded company with an ownership interest in the Developer.

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12 Documentation. The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters and such other information as HED or the Corporation Counsel may reasonably require.

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

5.14 Corporate Documents; Economic Disclosure Statement. The Developer (for itself and certain related entities which exercise any control over Developer or own 7.5% or more of Developer) has provided a copy of its Articles or Certificate of Incorporation or Formation (or partnership certificates) containing the original certification of the Secretary of State of the respective states of incorporation and/or formation; certificates of good standing from the Secretary of State of the respective states of incorporation and/or formation and all other states in which the Developer is qualified to do business; a secretary's certificate in such form and substance as the Corporation Counsel may require; by-laws of the corporation (partnership agreement of the partnership; articles of organization of the LLC and/or operating agreement of the joint venture); and such other corporate documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement for itself and related Developer entities, in the City's then current form, dated as of the Closing Date.

5.15

Litigation. The Developer has provided to Corporation Counsel

and HED, a description of all pending or threatened litigation or administrative proceedings

involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

SECTION 6

AGREEMENTS WITH CONTRACTORS

6.01 General Contractor.

(a) The Developer selected the General Contractor after soliciting bids from multiple qualified general contractors and receiving four written bids, each of which were presented to HED for its inspection and approval. The Developer has selected the general contractor submitting the lowest responsible bid that includes subcontractors who are qualified contractors eligible to do business with the City of Chicago. The Developer has provided HED with all information and documentation requested by HED to evidence Developer's (i) bid process and (ii) selection of the contractor with the lowest responsible bid and with only subcontractors who are contractors eligible to do business with the City of Chicago. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by HED

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and all requisite permits have been obtained. The Developer shall submit copies of the Construction Contract to HED in accordance with Section 6.02 below.

■(b) [INTENTIONALLY LEFT BLANK]

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

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

4 Employment Opportunity. The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of Section 10 hereof; provided, however, that the contracting, hiring and testing requirements for the MBE/WBE and City Residency

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

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

SECTION 7

COMPLETION OF CONSTRUCTION OR REHABILITATION

7.01 Certificate of Completion of Construction or Rehabilitation. Upon (a) completion of the construction of the Project in accordance with the terms of this Agreement; (b) completion of that portion of the Office Project which includes (i) all initial tenant improvements to be performed by Developer for any one or more tenants ("Major Tenant(s)") leasing, in the

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aggregate, at least one-hundred fifty thousand (150,000) square feet of space (as measured by BOMA) which Developer is authorized to perform pursuant to the terms of a written lease(s) or other written contractual arrangement(s) with any one or more of such Major Tenant(s); (ii) the core and shell of the Office Building and (iii) related infrastructure improvements (including, without limitation, joining public access points to the Park Property as shown on the Plans and Specifications); (c) grant of the Park Easement to the City; (d) delivery of Survey (as required in this Agreement) and the Title Policy as required herein (including the defined term and Section 5.05); (e) Developer's execution and delivery of the Park DEM Agreement; (f) receipt of evidence acceptable to HED (e.g. an architect's certificate) that Developer has completed the Project in accordance with the Project building permit; (g) evidence of the Project meeting or exceeding MBE/WBE, Prevailing Wage, and City Residency requirements, as reported by HED's Monitoring and Compliance Division; and (h) evidence that TIF-eligible Project Deck Costs have been incurred in amount equal to or greater than twenty-nine million five hundred thousand dollars (\$29,500,000), to be determined solely by HED; and upon the Developer's written request, HED shall issue to the Developer a Certificate in recordable form certifying that the Developer has fulfilled its obligation to complete the Project in accordance with the terms of this Agreement. HED shall use reasonable efforts to respond to the Developer's written request for a Certificate within sixty (60) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures.

7.02 Effect of Issuance of Certificate; Continuing Obligations. The Certificate relates only to the construction of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations

and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement [as to the parties described in the following paragraph], and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at Sections 8.02, 8.06, 8.19 as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Park Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Certificate, the covenants set forth in Section 8.02 shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Certificate shall be binding only upon (i) the Developer, (ii) a permitted assignee of the Developer who, pursuant to Section 18.15 of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder, (iii) a lender exercising its rights pursuant to the provision of Lender Financing or (iv) a party that takes title to the Park Property as a result of a lender exercising such rights.

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

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

b) the right (but not the obligation) to complete those TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event the aggregate cost of completing the TIF Funded Improvements exceeds the amount of City Funds available pursuant to Section 4.01, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and

c) the right to seek reimbursement of the City Funds from the Developer, provided that the City is entitled to rely on an opinion of counsel that such reimbursement will not jeopardize the tax-exempt status of the City Note or the Bonds, if any.

4 Notice of Expiration of Term of Agreement. Upon the expiration of the Term of the Agreement, HED shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of the Agreement has expired. It is agreed that the expiration of the Term of the Agreement shall not affect Developer's obligations under the Park DEM Agreement.

SECTION 8

COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER.

8.01 General. The Developer represents, warrants and covenants, as of the date of this Agreement and as applicable during the Term of the Agreement that:

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

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

c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary limited liability company action, and does not and will not violate its Certificate of Formation or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;

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d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Park Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and Non-Governmental Charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof); shall maintain said good, indefeasible and merchantable fee simple title to the Park Property (and all improvements thereon) throughout the Term of this Agreement and shall take all reasonable steps (as reasonably required by HED) to ensure that it does nothing to interfere with the City's Park Easement or permits any transfer or assignment other than as allowed pursuant to the Park DEM Agreement;

e) the Developer is now and for the Term of this Agreement shall remain solvent and able to pay its debts as they mature;

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

g) the Developer has and shall maintain as and when required all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;

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

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

(j) prior to the issuance of a Certificate, the Developer shall not do any of the following without the prior written consent of HED: (1) be a party to any merger, liquidation or consolidation that would have a material adverse affect on the ability of the Developer to complete the Project (and in event of such the City is to receive sixty (60) days prior written notice and must inform Developer in writing that such merger, liquidation or consolidation will not, in the City's reasonable judgment, have such a material adverse affect on the Developer's ability to complete the Project; (2) sell, transfer, convey, lease or otherwise dispose of (A) all or substantially all of its assets except in the ordinary course of business or (B) any portion of the Park Property (including but not limited to any fixtures or equipment now or hereafter attached thereto, to a third party developer except as otherwise allowed in 8.01 (n) below; (3) enter into any transaction outside the ordinary course of the Developer's business; (4) assume,

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guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition or otherwise materially and adversely affect the ability of Developer to complete the Project provided, however, that this Section 8.01 (j) shall not be construed as limiting (i) the rights of any lender providing Lender Financing, or financing for the Office Project (the "Office Financing") to exercise its rights pursuant to the provision of such Lender Financing (or Office Financing), to exercise its rights pursuant to the provision of such Lender Financing (or Office Financing) or limiting the Developer's performance of its obligations in connection with such Lender Financing or Office Financing; (ii) leases of space in the Office Project, (iii) the grant of a mortgage lien in the Park Property (so long as any such mortgage is subordinate to the Park DEM Agreement) or the Developer Property to a Permitted Lender, or (iv) the transfer of the Park Property (so long as any such transfer is subject to the terms of the Part DEM Agreement) and the Developer Property to a Permitted Lender pursuant to a foreclosure or a deed in lieu of foreclosure.

(k) the Developer has not incurred, and, prior to the issuance of the Certificate, shall not, without the prior written consent of the Commissioner of HED, allow the existence of any liens against the Park Property (or improvements thereon) other than the Permitted Liens, or incur any indebtedness, secured or to be secured by the Park Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except any Lender Financing disclosed in the Project Budget; following the issuance of the Certificate, Developer may secure any debt by the Park Property or any portion thereof, provided the mortgage lien associated with any such secured financing is subject and subordinate to this Agreement, the Park DEM Agreement and the Park Easement, and any such refinancing shall be deemed a "Permitted Mortgage" pursuant to Section 16;

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

(m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied

Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term "affiliate," when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or

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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; and

(n) prior to the issuance of the Certificate, the Developer shall only sell or convey the Park Property if (i) HED gives its written consent after receiving sixty days prior written notice of such sale (including the proposed terms thereof); (ii) the transferee agrees to comply with the covenants running with the Park Property; (iii) the transferee acknowledges and agrees that the Park Easement is in full force and effect and encumbers the Park Property in accordance with its terms; and (d) the transferee assumes Developer's obligations under the Park DEM Agreement. Following issuance of the Certificate, Developer may sell or convey the Park Property pursuant to the terms of the Park DEM Agreement.

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

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

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

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

issuance that are actionable under applicable securities laws unless such disclosures are based on factual information provided by the Developer that is determined to be false or misleading.

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6 Covenant to Maintain Park. Developer covenants to maintain the Park Property pursuant to the terms of the Park DEM Agreement. The Park DEM Agreement shall run with the land and be binding on all successors, assigns and transferees of the Park Property and the Developer Property.

7 Employment Opportunity; Progress Reports. The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in Section 10 hereof. The Developer shall deliver to HED written progress reports detailing compliance with the requirements of Sections 8.09, 10.02 and 10.03 of this Agreement. Such reports shall be delivered to the City monthly and when the Project is 25%, 50%, 70% and 100% completed (based on the amount of expenditures incurred in relation to the Project Budget). If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED's satisfaction, the manner in which the Developer shall correct any shortfall.-

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

9 Prevailing Wage. The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor (the "Department"), to all Project employees. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Department revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City's request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this Section 8.09. If this Prevailing Wage requirement is not satisfied or if such failure is not corrected pursuant to the terms of this Agreement and all applicable laws then the City shall declare Developer in default under this Agreement.

10 Arms-Length Transactions. Unless HED has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement; provided, however, that HED agrees that Developer may pay Hines Interests Limited Partnership a development management fee as disclosed in Exhibit C. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

11 Conflict of Interest. Pursuant to Section 5/1 1-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned

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or controlled or will own or control any interest, and no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Park Property or any other property Developer or its Affiliates own in the Redevelopment Area.

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

13 Financial Statements. The Developer shall obtain and provide to HED Financial Statements for the Developer's current fiscal year as of the Closing Date (if such current fiscal year has not ended, Developer shall provide (i) interim financial statements for the current fiscal year as of the Closing Date and Financial Statements within ninety (90) days of the end of said current fiscal year), and if requested by HED each year thereafter until issuance of the Certificate. In addition, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

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

15 **Non-Governmental Charges.**

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

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

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

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

16 Developer's Liabilities. The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify HED of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements. Upon Developer's transfer of the Park Property and the Developer Property, as a result of a Permitted Lender's exercise of its rights pursuant to the provision of Lender Financing or Permitted Mortgage or otherwise, or assignment of its rights and/or obligations in accordance with the terms of this Agreement, Developer shall be released from all liability and/or obligations accruing after such transfer or assignment and shall have no further rights under this Agreement.

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

18 Recording and Filing. The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Park Property and the Developer Property as of the date hereof in the conveyance and real property records of the county in which the Project is located. If this Agreement is not recorded prior to any mortgage made in connection with Lender Financing, then all Permitted Lenders providing Lender Financing must execute a Subordination Agreement which subordinates the lien of their mortgages to covenants in favor of the City (pursuant to this Agreement). The Developer shall pay all fees and charges incurred in connection with recording this Agreement and the Subordination Agreement (if applicable). Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement and the Subordination Agreement (if applicable) showing the date and recording number of record.

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Real Estate Provisions.

a) Governmental Charges.

i) Payment of Governmental Charges. The Developer agrees to pay or cause to be paid when due all Governmental Charges (as defined below) which are assessed or imposed upon the Developer, the Park Property, the Developer Property or the Project, or become due and payable, and which create or may create a lien upon the Developer or all or any portion of the Developer Property, the Park Property or the Project. "Governmental Charge" shall mean all federal, State, county, the City, or other governmental (or any instrumentality, division, agency, body, or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances (except for those assessed by foreign nations, states other than the State of Illinois, counties of the State other than Cook County, and municipalities other than the City on Developer operations that do not include the Project) relating to the Developer, the Park Property or the Project including but not limited to real estate taxes.

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

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

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

b) Developer's Failure To Pay Or Discharge Lien. If the Developer fails to pay any Governmental Charge or to obtain discharge of the same, the

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Developer shall advise HED thereof in writing, at which time HED may, but shall not be obligated to, and without waiving or releasing any obligation or liability of the Developer under this Agreement, in HED's sole discretion, make such payment, or any part thereof, or obtain such discharge and take any other action with respect thereto which HED deems advisable. All sums so paid by HED, if any, and any expenses, if any, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be promptly disbursed to HED by the Developer. Notwithstanding anything contained herein to the contrary, this paragraph shall not be construed .to obligate the City to pay any such

Governmental Charge. Additionally, if the Developer fails to pay any Governmental Charge, the City, in its sole discretion, may require the Developer to submit to the City audited Financial Statements at the Developer's own expense.

.(c) **Real Estate Taxes.** [INTENTIONALLY LEFT BLANK]

20 **Affordable Housing Covenant.** [INTENTIONALLY LEFT BLANK]

21 **Participation in City Beautification Efforts.**

[INTENTIONALLY LEFT BLANK].

22 **Public Benefits Program.** [INTENTIONALLY LEFT BLANK].

23 **Job Readiness Program.** [INTENTIONALLY LEFT BLANK].

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

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

SECTION 9

COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY

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

2 **Survival of Covenants.** All warranties, representations, and covenants of the City contained in this Section 9 or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive

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the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

SECTION 10 DEVELOPER'S EMPLOYMENT

OBLIGATIONS

10.01 **Employment Opportunity.** The Developer, on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors,

subcontractors or any Affiliate of the Developer operating on the Park Property (collectively, with the Developer, the "Employers" and individually an "Employer") to agree, that until issuance of the Certificate with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project:

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

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

c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775

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ILCS 5/1-101 et seq., (1993), and any subsequent amendments and regulations promulgated thereto.

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

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

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

10.02

City Resident Construction Worker Employment

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

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

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

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

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of HED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an

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employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

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

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

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

performed by actual Chicago residents.

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

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

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

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

a) Consistent with the findings which support, as applicable, (i) the Minority-Owned and Women-Owned Business Enterprise Procurement Program, Section 2-92-420 et seq., Municipal Code of Chicago (the "Procurement Program"), and (ii) the Minority- and Women-Owned Business Enterprise Construction Program, Section 2-92-650 et seq., Municipal Code of Chicago (the "Construction Program," and collectively with the Procurement Program, the "MBE/WBE Program"), and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this Section 10.03, during the course of the Project, at least the following percentages of the MBE/WBE Budget (as set forth in Exhibit H-2 hereto) shall be expended for contract participation by MBEs and by WBEs:

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

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

Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a "contract" or a "construction contract" as such terms are defined in Sections 2-92-420 and 2-92-670, Municipal Code of Chicago, as applicable.

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

d) The Developer shall deliver monthly reports (and a report upon final completion of the Project) to the City's monitoring staff during the Project describing its efforts to achieve compliance with this MBE/WBE commitment (which shall be measured in actual dollars expended to date). Such reports shall include, inter alia, the name and business address of each MBE and WBE solicited by the Developer or

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the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist the City's monitoring staff in determining the Developer's compliance with this MBE/WBE commitment. The Developer shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs in connection with the Project for at least five years after completion of the Project, and the City's monitoring staff shall have access to all such records maintained by the Developer, on five Business Days' notice, to allow the City to review the Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor, and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this subsection (e), the disqualification procedures are further described in Sections 2-92-540 and 2-92-730, Municipal Code of Chicago, as applicable.

f) Any reduction or waiver of the Developer's MBE/WBE commitment as described in this Section 10.03 shall be undertaken in accordance with Sections 2-92-450 and 2-92-730, Municipal Code of Chicago, as applicable. In addition to the requirements of Sections 2-92-450 and 2-92-730 of the Municipal Code of Chicago, as applicable, if Developer seeks to exclude the cost of any of the

applicable Project activities from the MBE/WBE Budget, Developer must provide HED with a list of those activities (and the estimated cost of each activity) it wishes to exclude; the City, acting in its sole discretion, will then determine if these items are to be excluded from the MBE/WBE Budget. After the earlier of (i) the start of construction and (ii) execution of this Agreement, Developer may not request a waiver for any Project activity and/or its associated cost from the MBE/WBE Budget.

g) Prior to the commencement of the Project and execution of this Redevelopment Agreement, the Developer shall be required to meet with the City's monitoring staff with regard to the Developer's compliance with its obligations under this Section 10.03, Section 10.02 and Section 8.09. The General Contractor and all major subcontractors shall be required to attend this pre-construction meeting. During said meeting, the Developer shall demonstrate to the City's monitoring staff its plan to achieve its obligations under this Section 10.03, Section 10.02 and Section 8.09; the sufficiency of which shall be approved by the City's monitoring staff. During the Project, the Developer shall submit the documentation required by this Section 10.03, Section 10.02 and Section 8.09 to the City's monitoring staff concurrent with each draw request submitted pursuant to the Escrow Agreement, which documentation shall measure compliance in dollars expended to date and include the following: (I) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; (vi) certified payroll; (vii) evidence that MBE/WBE

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contractor associations have been informed of the Project via written notice and hearings; and (viii) evidence of compliance with job creation/job retention requirements. Failure to submit such documentation on a timely basis, or a determination by the City's monitoring staff, upon analysis of the documentation, that the Developer is not complying with its obligations under this Section 10.03, shall, upon the delivery of written notice to the Developer, be deemed an Event of Default. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor, or (3) seek any other remedies against the Developer available at law or in equity.

(h) Prior to the earlier of (i) the start of construction and (ii) execution of this Agreement, Developer and/or the General Contractor shall submit the General Contractor's M/WBE Utilization Plan (including schedules C and D) to HED for review and approval which approval shall be given in writing, request a waiver for any Project activity and/or its associated cost from the MBE/WBE Budget. Prior to execution of this Agreement, Developer must submit evidence acceptable to HED that the General Contractor has met at least once with, and provided bid documents to, applicable M/WBE contractor associations.

SECTION 11 ENVIRONMENTAL

MATTERS

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

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Park Property and the Developer Property or (B) any other real property in the City of Chicago which the Developer, or any Affiliate, holds any estate or interest whatsoever (including, without limitation, any property owned by a land trust in which the beneficial interest is owned, in whole or in part, by the Developer), but with respect to real property within the City of Chicago in which an Affiliate of Developer holds an estate or interest, only to the extent any losses, liabilities, damages, injuries, costs, expenses or claims are related to the Affiliate's relationship to the Developer or interest in the Project, the Park Property or the Developer Property; or (ii) any liens against the Park Property or the Developer Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City

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or the Developer or any of its Affiliates under any Environmental Laws relating to the Park Property or the Developer Property.

SECTION

12

INSURANCE

The Developer must provide and maintain, at Developer's own expense, or cause to be provided and maintained until the Certificate is issued, in accordance with the time periods set forth below, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

a) Prior to execution and delivery of this Agreement.

(i) . Workers Compensation and Employers Liability. Workers

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

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

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

(iii) All Risk Property. All Risk Property Insurance at replacement

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

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

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

(ii) **Commercial General Liability (Primary and Umbrella).** Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages must include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project

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completion), explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

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

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

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

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

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

viii) Contractors Pollution Liability. When any remediation work is performed which may cause a pollution exposure, the Developer must cause remediation contractor to provide Contractor Pollution Liability covering bodily injury, property damage and other losses caused by pollution conditions that arise from the contract scope of work with limits of not less than \$1,000,000 per

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occurrence. Coverage must include completed operations, contractual liability, defense, excavation, environmental cleanup, remediation and disposal. When policies are renewed or replaced, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years. The City of Chicago is to be named as an additional insured.

c) **Post Issuance of Certificate.**

(i) Insurance as required in the Park DEM Agreement.

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

The insurance must provide for 60 days prior written notice to be given to the City in the event

coverage is substantially changed, canceled, or non-renewed.

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

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

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

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

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

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

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

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

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

SECTION 13

INDEMNIFICATION

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

i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or

ii) the Developer's or any contractor's failure to pay General Contractors, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or

iii) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or

iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

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

SECTION 14 MAINTAINING RECORDS/RIGHT TO

INSPECT

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

2 Inspection Rights. Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Park Property during normal business hours until issuance of the Certificate and thereafter pursuant to the Park DEM Agreement.

SECTION 15

DEFAULT AND REMEDIES

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

Developer hereunder:

a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;

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

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

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

e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

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

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

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

(i) the dissolution of the Developer or the death of any natural person who owns a material interest in the Developer which materially impairs Developer's ability to perform its obligations under this Agreement; or

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

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(k) prior to the issuance of the Certificate, the sale or transfer of the Park Property without the prior written consent of the City (except to a Permitted Lender pursuant to a foreclosure or deed in lieu of foreclosure) or taking any action which would adversely affect the ability of the City to maintain good, indefeasible right title and interest to the Park Easement.

For purposes of Sections 15.01 (i) and 15.01(j) hereof, a person with a material interest in the Developer shall be one owning in excess of ten (10%) of the Developer's partnership interests.

2 Remedies. Upon the occurrence of an Event of Default prior to the issuance of the Certificate, the City may terminate this Agreement and all related agreements, and may suspend disbursement of City Funds. After the issuance of the Certificate, the City's obligation to make payments on the City Note shall be vested without defense to payment (other than insufficiency of Available Incremental Taxes), including as a result of an Event of Default hereunder, and the City's obligation to make payments on the City Note shall survive any termination of this Agreement. Subject to the foregoing, the City may, in any court of competent Jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief, the specific performance of the agreements contained herein or any remedy available in the Park DEM Agreement.

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

SECTION 16 MORTGAGING OF THE

PROJECT

All mortgages or deeds of trust in place as of the date hereof with respect to the Park Property and the Office Property or any portion thereof are listed on Exhibit G hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "Existing Mortgages." Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded

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against the Park Property and the Developer Property or any portion thereof is referred to herein as a "New Mortgage." Any New Mortgage that the Developer may hereafter elect to execute and record or permit to be recorded against the Park Property and the Office Property or any portion thereof that is subordinate to this Agreement, the Park DEM Agreement and the Park Easement, including any mortgage or deed of trust executed in connection with Lender Financing (as may be approved pursuant to the terms of this Agreement), is referred to herein as a "Permitted Mortgage." It is hereby agreed by and between the City and the Developer as follows:

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

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

covenants expressly running with the land.

(c) No New Mortgage shall be executed with respect to the Park Property and the Developer Property or any portion thereof without the prior written consent of the Commissioner of DPD unless the holder of the New Mortgage executes a Subordination Agreement which subordinates the lien of the mortgage to covenants that run with the Park Property and the Developer Property and acknowledges that the Park DEM Agreement (including the Park Easement) is in existence and is one of the covenants that run with the Park Property and Developer Property.

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SECTION 17

NOTICE

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

If to the City:

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

With Copies To:

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

If to the Developer:

c/o Hines Interests Limited Partnership
One South Dearborn Street Suite 2000
Chicago, Illinois 60603 Attention: Greg van
Schaack

and

c/o Ivanho6 Cambridge
525, 8th Avenue S.W., Suite 4200 Calgary, Alberta, Canada T2P1G1
Attention: Arthur Lloyd,
Executive Vice President, Investments, Western North America

and

c/o Ivanhoe Cambridge
1001 square Victoria, Bureau C-500 Montreal, Quebec, Canada H2Z
2B5

Attention: Pierre -Francois Chapleau,
Vice President, Office Development, North America

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With Copies To:

DLA Piper LLP (US)
203 North LaSalle Street 19th Floor
Chicago, Illinois 60601 Attention: David L.
Reiftnan Paul W. Shadle Taylor Hammond

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

SECTION 18

MISCELLANEOUS

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

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

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

4 Further Assurances. The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications

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as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

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

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

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

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

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

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

11 Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the Bond Ordinance, if any, such ordinances shall prevail and control.

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

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

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

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

15 Assignment. Prior to the issuance of the Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City. Any successor in interest to the Developer under this Agreement who accepts a written assignment of this Agreement shall in writing to the City its agreement to abide by the terms of this Agreement (including, without limitation, all remaining executory terms of this Agreement), including but not limited to Sections 8.19 and 8.24 hereof for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part, provided that such sale, transfer, assignment, or disposal does not impair its ability to perform its obligations under this Agreement. Notwithstanding the foregoing, the City shall have no right to assign, transfer or convey any of its rights under the Park DEM Agreement without Developer's consent, which consent shall not unreasonably be withheld; provided, however, that no such consent shall be required with respect to (i) the Chicago Park District or another unit of local government that, consistent with its enabling legislation, is authorized to own (or hold an easement interest in) park and open space or (ii) any entity with which the City or the Chicago Park District or another unit of local government that, consistent with its enabling legislation, is authorized to own (or hold an easement interest in) park and open space has contracted to own any interest in or operate park and open space.

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

17 Force Majeure. Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or

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

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

19 Business Economic Support Act. Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer

shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

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

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

22 Business Relationships. The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "Business Relationship" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (c) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to

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the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

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

RIVER POINT LLC, a Delaware limited liability company

By:

By: _

Its:

CITY OF CHICAGO, an Illinois municipal corporation
acting by and through its Department of Housing and
Economic Development

By: .
Commissioner, Department of Housing and Economic
Development

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STATE OF ILLINOIS COUNTY OF COOK

)

)SS

)

, a notary public in and for the said County, in the State
, personally known to

I,
me to be the
aforesaid, DO HEREBY CERTIFY that
of , an Illinois
[corporation] (the "Developer"), and personally known to me to be the same person whose name is subscribed
to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed,
sealed, and delivered said instrument, pursuant to the authority given to him/her by the [Board of Directors] of
the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses
and purposes therein set forth.

GIVEN under my hand and official seal this day of , .

Notary Public

My Commission Expires

(SEAL)

, a notary public in and for the said County, in the State
, personally known to

I,
me to be the
aforesaid, DO HEREBY CERTIFY that
of , an Illinois
[corporation] (the "Developer"), and personally known to me to be the same person whose name is subscribed
to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed,
sealed, and delivered said instrument, pursuant to the authority given to him/her by the [Board of Directors] of
the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses
and purposes therein set forth.

GIVEN under my hand and official seal this day of , .

Notary Public

My Commission Expires

(SEAL)

STATE OF ILLINOIS

COUNTY OF COOK

, a notary public in and for the said County, in the State
, personally known to

I,
me to be the
aforesaid, DO HEREBY CERTIFY that
of , an Illinois
[corporation] (the "Developer"), and personally known to me to be the same person whose name is subscribed
to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed,
sealed, and delivered said instrument, pursuant to the authority given to him/her by the [Board of Directors] of
the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses
and purposes therein set forth.

GIVEN under my hand and official seal this day of , .

Notary Public

My Commission Expires

(SEAL)

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STATE OF ILLINOIS COUNTY OF COOK

)
)SS)

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

GIVEN under my hand and official seal this _____ th day of _____, _____.

Notary Public

My Commission Expires

(SEAL)

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EXHIBIT A REDEVELOPMENT AREA

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EXHIBIT B

**LEGAL DESCRIPTIONS OF PARK PROPERTY AND DEVELOPER
PROPERTY**

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EXHIBIT C

TIF-FUNDED IMPROVEMENTS

| <u>Line Item</u> | <u>Cost</u> |
|---|--------------|
| Project Deck Hard Costs | \$25,244,435 |
| Foundation, Crash Walls and River Wall | \$9,626,937 |
| Pre-Cast (including architectural) | \$6,239,298 |
| Stairs, Finishes and Elevator | \$1,388,967 |
| RR Overtime/Premium, Flagman and Insurance | \$4,050,000 |
| MEP and Waterproofing | \$3,939,233 |
| General Conditions, Insurance, Bonds and Fees | \$2,433,842 |
| Architectural, Engineering, Testing and Consultants | \$1,857,164 |
| Developer Overhead and Fees | \$ 1,476,772 |
| Financing Fees | \$370,715 |
| Interest Costs (30% of total Interest) | \$1,990,537 |
| Switch Station Demolition | \$265,000 |
| Estimated Total Cost | \$33,638,465 |

Notwithstanding the total of TIF-Funded Improvements, the assistance to be provided by the City is limited to \$29,500,000.

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EXHIBIT D REDEVELOPMENT PLAN

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EXHIBIT E CONSTRUCTION CONTRACT

EXHIBIT G

PERMITTED LIENS

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

2. Liens or encumbrances against the Developer or the Project, other than liens against the Park Property, if any: Liens and encumbrances that are subordinate to the RDA and the Park Easement. [To be completed by Developer's counsel, subject to City approval.]

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EXHIBIT H

PROJECT BUDGET

| <u>Line Item</u> | <u>Cost</u> |
|--|--------------|
| Land Value | \$16,100,000 |
| Project Deck Hard Costs | \$25,244,435 |
| Plaza Landscaping | \$1,975,000 |
| East Structure | \$424,000 |
| Switch Station Demolition | \$265,000 |
| General Conditions, Insurance, Bonds and Fees (TIF Eligible) | \$2,433,842 |
| General Conditions, Insurance, Bonds and Fees (Non-TIF Eligible) | \$231,290 |
| . Architectural, Engineering, Testing and Consultants (TIF Eligible) | \$ 1,857,164 |
| Architectural, Engineering, Testing and Consultants (Non-TIF Eligible) | \$176,488 |
| Developer Overhead and Fees (TIF Eligible) | \$ 1,476,772 |
| Developer Overhead and Fees (Non-TIF Eligible) | \$ 140,339 |
| Financing Fees (TIF Eligible) | \$370,715 |
| Financing Fees (Non-TIF Eligible) | \$35,229 |
| Interest Costs | \$6,635,124 |
| Estimated Total Cost | \$57,365,398 |

* To the extent the Project is undertaken with Equity and without Lender Financing, the Project Budget may be reduced to the extent Financing Fees and Interest Costs are not incurred, but any such reduction shall not act to reduce the total amount of City Funds of \$29,500,000.

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EXHIBIT H-2 M/WBE

BUDGET

| Line Item | Amount |
|--|------------------|
| Foundations, Crash Walls and Structure | \$9,626,937 |
| Precast Concrete | \$6,239,298 |
| Stairs, Finishes and Elevators | \$1,388,967 |
| MEP and Waterproofing | \$3,939,233 |
| Landscaping | \$2,399,000 |
| Architectural and Engineering Fees | \$2,033,652 |
| Switch Station Demolition | \$265,000 |
| TOTAL | \$25,892,087 |

24% of \$25,892,087 = \$6,214,101 MBE Participation 4% of
\$25,892,087 = \$1,035,683 WBE Participation

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EXHIBIT I APPROVED PRIOR EXPENDITURES

EXHIBIT J OPINION OF DEVELOPER'S COUNSEL

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

City of Chicago 121 North LaSalle
Street Chicago, IL 60602

ATTENTION: Corporation Counsel

Ladies and Gentlemen:

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

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

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

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

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

In addition to the foregoing, we have examined

a) the original or certified, conformed or photostatic copies of the Developer's (I) Articles of Incorporation, as amended to date, (ii) qualifications to do business and certificates of good standing in all states in which the Developer is qualified to do business, (iii) By-Laws, as amended to date, and (iv) records of all corporate proceedings relating to the Project [revise if the Developer is not a corporation]; and

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

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

Based on the foregoing, it is our opinion that:

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

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

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

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

5. Exhibit A attached hereto (a) identifies each class of capital stock of the Developer, (b) sets forth the number of issued and authorized shares of each such class, and © identifies the record owners of shares of each class of capital stock of the Developer and the number of shares held of record by each such holder. To the best of our knowledge after diligent inquiry, except as set forth on Exhibit A, there are no warrants, options, rights or commitments

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of purchase, conversion, call or exchange or other rights or restrictions with respect to any of the capital stock of the Developer. Each outstanding share of the capital stock of the Developer is duly authorized, validly issued, fully paid and nonassessable.

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

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

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

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

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

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

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois. [Note: include a reference to the laws of the state of incorporation/organization of the Developer, if other than Illinois.]

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

Very truly yours,

By: _ Name:

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EXHIBIT K
PRELIMINARY TIF PROJECTION -REAL ESTATE TAXES
INTENTIONALLY OMITTED

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EXHIBIT L

**REQUISITION FORM [TO BE RE-WORKED FOR PAY AT
THE END]**

STATE OF ILLINOIS)

) SS

COUNTY OF COOK)

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

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

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

\$ _____

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

\$ _____

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

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

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

All capitalized terms which are not defined herein has the meanings given such terms in the Agreement.

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[DEVELOPER]

By.

Name: Title: _

Subscribed and sworn before me

this day of .

My commission expires: Agreed and accepted:

Name

Title:

City of Chicago

Department of Planning and Development

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EXHIBIT M FORM OF

NOTE

[TO BE REVISED FOLLOWING CONFIRMATION OF PROCESS OF PAYMENT]

REGISTERED
NO. R-1 \$29,500,000.00

MAXIMUM AMOUNT

**UNITED STATES OF AMERICA STATE OF ILLINOIS COUNTY OF COOK CITY OF
CHICAGO TAX INCREMENT ALLOCATION REVENUE NOTE (RIVER POINT PLAZA
REDEVELOPMENT PROJECT), [TAX EXEMPT] SERIES [A]**

Registered Owner: [Developer]

Interest Rate: [Maximum Rate 8% per annum]

Maturity Date: [Up to December 31, 2030]

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereafter defined) in accordance with the ordinance hereinafter referred to

up to the principal amount of \$ _____ and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of the advance. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year specified above until paid.

Principal of and interest on this Note from the [Available Incremental Taxes], (as defined in the hereinafter defined Redevelopment Agreement), is due April 1st of each year in accordance with the 10-year amortization schedule set forth below or until this Note is paid in full. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon

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presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$29,500,000 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by [Developer] (the "Project"), which were [acquired], [constructed] and [installed] in connection with the development of an approximately [] acre/ [] square foot] site/building in the [] Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act") , the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and an Ordinance adopted by the City Council of the City on, [] (the "Ordinance"), in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal and interest of this Note. Reference is hereby made to the aforesaid Ordinance and the Redevelopment Agreement for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the' terms and conditions under which this Note is issued and secured. THIS NOTE IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AVAILABLE INCREMENTAL TAXES, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE. Subject to the payment of the pre-payment penalties or (ii) prepayment lock-out period, as set forth in the Redevelopment Agreement], the principal of this Note is subject to redemption on any date, as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. [There shall be no prepayment penalty except for the prepayment lock-out period.] Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in

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

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

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

[After the issuance of the Certificate, the City's obligation to make payments on this Note shall be vested without defense to payment (other than insufficiency of Available Incremental Taxes), including as a result of an Event of Default under the Redevelopment Agreement, and the City's obligation to make payments on this Note shall survive any termination of the Redevelopment Agreement.] The City [shall] be obligated to make payments under this Note [notwithstanding that] an Event of Default (as defined in the Redevelopment Agreement), or condition or event that with notice or the passage of time or both would constitute an Event of Default, has occurred. Such [obligations] shall survive [any or the] transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and

has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of _____,

Mayor

(SEAL) Attest:

City Clerk

CERTIFICATE Registrar
OF
AUTHENTICATION

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

This Note is described in the within mentioned Ordinance and is the Tax Increment Allocation Revenue Note (Redevelopment Project), [Taxable] Series [A], of the City of Chicago, Cook County, Illinois.

Comptroller Date:

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PRINCIPAL PAYMENT RECORD

PRINCIPAL BALANCE DUE

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(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration

thereof with full power of substitution in the premises.

Registered Owner

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

Signature Guaranteed:

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

Consented to by: (

CITY OF CHICAGO DEPARTMENT OF PLANNING
AND DEVELOPMENT

BY:

ITS:

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CERTIFICATION OF EXPENDITURE

(Closing Date)

To: Registered Owner

Re: ' City of Chicago, Cook County, Illinois (the "City")
\$ Tax Increment Allocation Revenue Note
(Redevelopment Project, [Taxable] Series [A])
(the "Redevelopment Note")

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

The City hereby certifies that is advanced as principal under the Redevelopment Note as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the Redevelopment Note is \$, including the amount of this Certificate and less payment made on the Note. **[TO BE REWORKED FOR ADDING TO PRINCIPAL BALANCE CONCEPT ONLY-NOT ADVANCED]**

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

CITY OF CHICAGO

By:
Commissioner Department of Planning
and Development

AUTHENTICATED BY:

REGISTRAR

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AGREEMENT

EXHIBIT O FORM OF SUBORDINATION

By:
Its:

CITY OF CHICAGO

By:
Its: Commissioner,
Department of Planning and Development

ACKNOWLEDGED AND AGREED TO
THIS DAY OF
[Developer], a

By: _ Its:

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STATE OF ILLINOIS

COUNTY OF COOK

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY

THAT __, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner, (s)he signed and delivered the said instrument pursuant to authority, as his/her free and voluntary act, and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

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

Notary Public

My Commission Expires
(SEAL)

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STATE OF ILLINOIS COUNTY OF COOK

)
)SS
)

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

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

Notary Public

My Commission Expires (SEAL)

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EXHIBIT P FORM OF PAYMENT BOND

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S: DEM RIVERPOINTVIO

This space reserved for Recorder's use only.

(The Above Space For Recorder's Use Only)

**DEVELOPMENT, EASEMENT AND MAINTENANCE AGREEMENT
(RIVER POINT PARK)**

**NOTICE TO MORTGAGEES: THIS AGREEMENT SHALL BE SENIOR TO ANY
MORTGAGE LIEN RECORDED AFTER THE DATE HEREOF
AND SHALL NOT BE SUBJECT TO FORECLOSURE BY ANY
SUCH LIEN**

This DEVELOPMENT, EASEMENT AND MAINTENANCE AGREEMENT
("Agreement") is made as of the _____ day of _____, 2012, by and between the
CITY OF CHICAGO, an Illinois municipal corporation and home rule unit of government ("City"), acting by
and through its Department of Housing and Economic Development ("HED"), having its principal offices at
City Hall, 121 North LaSalle Street, Chicago, Illinois 60602, and RIVER POINT LLC, a Delaware limited
liability company (the "Developer"), having its principal office at c/o Hines Interests, L.P., One South Dearborn
Street, Suite 2000, Chicago, Illinois 60603. As used in this Agreement, "Developer" shall also include, and this
Agreement shall be binding upon, Developer's Successors and Assigns, as defined in Section 20 below.

RECITALS

WHEREAS, the City, as a home rule unit of government under the 1970 Constitution of the State of
Illinois, has the authority to promote the health, safety and welfare of its inhabitants, and to enter into
contractual agreements with third parties for the purpose of achieving the aforesaid purposes; and

WHEREAS, the Developer is the owner of the parcels of real property legally described on Exhibit A
(the "Developer Parcel") and Exhibit B (the "Park Parcel") attached hereto. The Developer Parcel includes
approximately 45,021 square feet that the Developer owns in fee simple. The Park Parcel is located
immediately east of the Developer Parcel and is

approximately 1.5 acres, of which approximately 17,800 square feet of land is owned by Developer in fee
simple and of which approximately 48,379 square feet is also owned by Developer in fee simple but consists of
air rights above Amtrak railroad facilities. The Developer Parcel and the Park Parcel are located in the LaSalle

Central Tax Increment Financing Redevelopment Project Area, established pursuant to ordinances adopted by the City Council of the City ("City Council") on November 6, 2006 and published in the Journal of Proceedings of the City Council ("Journal") for such date at pages 92019 through 92114. The Developer Parcel and Park Parcel are depicted on Exhibit C attached hereto and made a part hereof; and

WHEREAS, the Developer is developing a commercial office project (the "Office Project") on the Developer Parcel; and

WHEREAS, the City and Developer desire that the Park Parcel be developed and used as public open space and a public park (the "Park"); and

WHEREAS, the Developer shall realize material benefits from the establishment of the Park in close proximity to the Office Project; and

WHEREAS, the City and the Developer (or its Affiliate) have cooperated in filing an application with the United States Army Corps of Engineers, the Illinois Environmental Protection Agency and the Illinois Department of Natural Resources in order to secure the necessary approvals (the "Riverwalk Approvals") to infill approximately 2,300 square feet of the Chicago River adjacent to the Park Parcel (the "In-Fill Parcel"), which In-Fill Parcel will be used in part for the riverwalk that will be constructed as part of the Public Park Project, as defined below; and

WHEREAS, pursuant to that certain River Point Plaza Redevelopment Agreement by and between the Developer and the City dated as of the date hereof and recorded simultaneously herewith (the "RDA"), the City has agreed to make certain City Funds (as defined in the RDA) available to the Developer. Pursuant to the RDA, the Developer will design and construct certain Park improvements on the Park Parcel consisting of the following as shown on the Plans and Specifications (as defined in the RDA): (a) a new river wall and river walk, (b) the foundations and footings for the deck above the rail facilities, the structural supports and retaining walls for the deck, concrete decking and the ventilation, HVAC, elevator facilities, lighting, drainage and irrigation facilities and (c) certain finished surfaces, hardscape, sidewalks, lighting, furniture, landscaping, green space and park amenities (the improvements described in clauses (a), (b) and (c), collectively, the "Park Improvements"); and

WHEREAS, the Developer has agreed to grant to the City an easement interest in the Park Parcel for public open space and public park purposes, to construct the Park Improvements, and to thereafter maintain, repair and replace the Park Improvements, in accordance with the terms and conditions of this Agreement and the RDA (such activities, collectively, the "Public Park Project"); and

WHEREAS, the Public Park Project shall result in the creation of a new public open space and public park in the West Loop, shall eliminate a significant length of unsightly rail facilities, and shall provide a continuous, functioning river walk along the Chicago River; and

WHEREAS, in connection with the construction of the Park Improvements, which, with

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the City's consent, shall be constructed to include an "overbuild" that will encroach over certain public right of way, as depicted in Exhibit D to this Agreement (such encroachment area, the "Overbuild Encroachment Area," and such encroaching improvements, the "Encroaching Park Improvements"), the City also desires to grant to the Developer, its successors and assigns, an encroachment easement to allow such encroaching improvements to be located in the public way, without any further fees or grants of privilege; and

WHEREAS, the City Council, by ordinances adopted _____, 2012, and published in the Journal for such date at pages _____ through _____ (collectively, the "River Point Ordinances"), has authorized, among other things, the City's acquisition and acceptance of the Easement (as hereinafter described), the execution of this Agreement, and the execution of the RDA; and

WHEREAS, the City Council, by ordinance adopted July 30, 2008, and published in the Journal for such date at pages 35840 through 35864 (as may be amended from time to time, the "River Point PD Ordinance"), has also authorized that certain Waterway Business Planned Development No. 1115 applicable to Developer Parcel and the Park Parcel; and

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of them hereby covenant and agree with the other as follows:

SECTION 1 INCORPORATION OF RECITALS

The recitals set forth above (including, without limitation, the definitions set forth therein), and the exhibits attached hereto, constitute an integral part of this Agreement and are incorporated herein by this reference as agreements of the parties.

SECTION 2 INCORPORATION OF RDA REQUIREMENTS

The terms and conditions of the RDA (the "Incorporated RDA Terms and Conditions") also constitute an integral part of this Agreement and, for the sake of brevity, are incorporated herein by this reference as agreements of the parties to the same extent as if fully restated herein. Without limitation the generality of the foregoing, such Incorporated RDA Terms and Conditions shall include the recitals, definitions, construction requirements, plans and specifications, drawings, budgets, conditions precedent to closing, representation, warranties, covenants, indemnities, insurance, MBE/WBE, City resident hiring, prevailing wage, and default and remedy provisions set forth in the RDA; provided, however, that certain of the Incorporated RDA Terms and Conditions shall terminate and be of no further effect herein upon the issuance of a Certificate of Completion of Construction, as described in the RDA (the "RDA Certificate"), in accordance with the terms of the RDA. Such termination shall not affect the continued survival of the terms of this Agreement, nor the continued survival of any executory Incorporated RDA Terms and Conditions which, under the terms of the RDA, survive the issuance of the RDA Certificate and which, therefore, shall continue to be incorporated herein.

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SECTION 3 GRANTS OF EASEMENTS

Developer hereby grants and conveys to the City an easement in perpetuity in and over the Park Parcel for public open space and public park purposes, as more fully described herein (the "Easement"), to have and to hold unto the City and the City's permitted successors and permitted assigns under Section 22 below. Such Easement shall be an exclusive easement, subject to Developer's reservations of rights in Section 4 hereof. If for a reason other than a default by Developer under the RDA or this Agreement, the City refuses to issue the RDA Certificate when all conditions to the issuance of such RDA Certificate have been satisfied, or fails to issue the City Note (as defined in the RDA) when the conditions to such issuance have been satisfied, or fails to make the first required payment on the City Note (and does not cure such first required payment within ninety

(90) days of the required payment date), then the Easement shall be promptly fully and unconditionally released by the City without further City Council action and become null and void. Upon release, this Agreement shall automatically terminate, and the parties shall have no further obligations under this Agreement and the Developer shall have no further claim or remedy against the City under this Agreement If (a) the Developer or its permitted assignee under the RDA abandons the construction of the Park Improvements or is otherwise unable to complete the Park Improvements, and if (b) the City has not paid the Developer (or any other party entitled to payment) any City Funds, then the City and Developer shall mutually agree whether an amendment to, or release of, this Agreement and the Easement granted hereby, is appropriate. Such consideration, and any City approval to an amendment or release (if any), shall take into account the reasons for such abandonment or inability to complete construction, the likelihood of another party completing the Park Improvements, the extent to which such Park Improvements have been completed, the City's goal of providing the public with permanent and continued access to the riverfront, the status of work on the In-Fill Parcel and other relevant facts and circumstances at the time such consideration is given.

The City hereby grants and conveys to the Developer an encroachment easement during the term of this Agreement (i.e., in perpetuity, unless this Agreement is terminated) on and over the Overbuild Encroachment Area to allow the Developer to construct, maintain, operate and, if necessary, rebuild, the Encroaching Park Improvements as part of the overall Park Improvements (the "Encroachment Easement"), to have and to hold unto the Developer and the Developer's permitted successors and permitted assigns under Section 22 below. If this Agreement is terminated in accordance with its terms, then the Encroachment Easement shall, at the City's election and direction to the Developer, be promptly fully and unconditionally released by the Developer and become null and void. In connection with such grant of the Encroachment Easement, no fees, grants of privilege or similar public way use charges shall be assessed against the Developer for such encroachment into the public way!

SECTION 4

PURPOSE AND SCOPE OF EASEMENT AND DEVELOPER'S

RESERVATION OF RIGHTS

It is the purpose of this Easement that that the Park Parcel will be utilized only as public

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open space and for public park purposes, as further described in this Section 4, and subject to the provisions of this Agreement.

In addition to the Easement, Developer shall provide access to the Park in the locations shown on Exhibit E being (a) three (3) points on West Lake Street, (b) from the grand stairway entrance from North Canal Street; (c) connecting to any existing river walk to the north at the Park Parcel boundary, (d) through the lobby of the office building proposed to be developed on the Developer Parcel during normal park hours, which shall be every day from 6 a.m. to 11 p.m, and (e) handicapped access from Lake Street to the Park will be available at three different entrances, including two publicly-accessible elevators (one on West Lake Street that provides access to the riverwalk one next to the grand stairway entrance on North Canal Street).

Developer shall not discriminate based upon race, color, religion, sex, national origin or ancestry, military status, sexual orientation, source of income, age, or handicap, in the use of the Park by the public.

Except as expressly set forth in Section 5 below, this Agreement does not confer any special use rights

upon the Developer, any successor owner of the Developer Parcel, or any tenant or occupant of the Developer Parcel, or any other person or entity.

The use of alcohol on the Park Parcels is strictly prohibited, unless permits for such use of alcohol are obtained from the City by separate approval or ordinance.

Developer understands that it shall not store any toxic or hazardous materials on the Park Parcel.

Other than as set forth in the Plans and Specifications, no park improvements are to be constructed on the Park Parcel, except as otherwise set forth in this Agreement related to Developer's performance of its obligations hereunder.

In order to assure compliance with such public purpose and public use, the City shall have the right, in addition to the remedies set forth in Section 11 below, to: (a) enter upon the Park Parcel at reasonable times to monitor compliance with and otherwise enforce the terms of the Easement; (b) to enter upon the Park Parcel at reasonable times and in the event of failure by the Developer to maintain, repair and replace the Park Improvements in accordance with the terms hereof; (c) to enforce the terms of this Easement by appropriate legal proceedings so as to prevent any activity on or use of the Park that is inconsistent with the purpose of the Easement, and to require the restoration of such areas or features of the Park that may be damaged by any inconsistent activity or use.

Developer hereby reserves the following rights for itself and its agents, contractors, subcontractors, licensees, guests, invitees, grantees, employees, and representatives (the "Construction Parties") with respect to the Park Parcel:

(1) the right to use the Park Parcel on a temporary basis for the purpose of constructing the Office Project and the Park Improvements, staging materials and equipment in connection with such construction and other activities in furtherance of such

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construction. The rights reserved pursuant to this subsection (1) shall terminate upon the issuance of the RDA Certificate;

2) the right to grant easements and/or licenses encumbering the Park Parcel for utility purposes in furtherance of the operation of the improvements on the Developer Parcel; provided, however, any such encumbrances shall be subordinate to the Easement and shall not unreasonably interfere with or materially and adversely affect the public's use and enjoyment of the Park;

3) the right to perform its maintenance obligations set forth herein; and

4) when reasonably necessary, the right to use the Park Parcel for the repair and maintenance of the improvements located on the Developer Parcel or the improvements located below the Park Parcel.

The Commissioner of HED, in the Commissioner's sole discretion, shall also have the authority to consent to additional grants of easements or licenses for purposes other than utilities provided they are subordinate to the Easement.

SECTION 4 PARK PROGRAMMING

In order to assure coordinated and appropriate activation of the Park, one representative each from Developer, HED, the Mayor's Office of Special Events and the then Alderman of ward in which the Park is located (and up to two community representatives as may be designated by such Alderman) shall meet annually each year after the Park is complete and open for use to plan and coordinate organized, programmatic activities at the Park. Such programmed activity shall consist of functions similar to what currently occurs at Daley Plaza, along the Chicago River downtown and at neighborhood parks. Developer shall also make aware, at the annual meeting, any major capital improvements to the Park which may affect its design and function. Such programmed activity shall not unreasonably interfere with the use, enjoyment or the operation of the improvements located on the Developer Parcel.

The Developer shall be permitted to use a portion of the Park Parcel on an Occasional Limited Basis (as defined in the next paragraph) for special functions and special programmed events as detailed herein; provided, however, such events: (a) shall not unreasonably interfere with the use and enjoyment of properties adjacent to the Park Parcel; (b) are related to activities of the owner(s) of the Developer Property, tenants or occupants of the Developer Property; and (c) are non-revenue generating for the such owner, tenants or occupants (unless such event is a fund-raising event, the funds of which are contributed to a not-for-profit corporation, tax-exempt entity, charitable foundation or similar entity or organization organized for charitable, educational or philanthropic purposes (such a permissible private event, "Permitted Special Event"). When Developer uses the Park Parcel for a Permitted Special Event, the remainder of the Park Parcel shall remain open to and available for use by the public during such events or functions.

"Occasional Limited Basis" shall mean that (a) the owner (and, as permitted by such owner, tenants) of the Developer Parcel shall be permitted to use the Park Parcel for a Permitted

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Special Event up to six (6) non-consecutive weekday evenings in a calendar year. Any additional use of the Park Parcel by Developer for private functions or events shall be subject to the approval of the programming committee referenced above, but shall, as to uses by Developer, be only for additional Permitted Special Events. The Developer shall secure all necessary permits from the City to use the Park Parcel for the Permitted Special Event. Except for normal permit issuance fees applicable to such use, and in view of the Developer's ongoing responsibility for the maintenance, repair and replacement of the Park Improvements as set forth herein, no rent, compensation, additional fees or charges shall be due and payable by such owner to the City for the use of the Park Parcel for a Permitted Special Event.

SECTION 5 COVENANTS, REPRESENTATIONS AND WARRANTIES

A. Covenants, Representations and Warranties of Developer. Developer hereby covenants, represents and warrants to the City as follows:

1) Developer is a duly organized and in good standing under the laws of the State of Illinois and other states in which it is required to register as a business entity.

2) No litigation or proceedings are pending or, to the best of Developer's knowledge, are threatened against Developer which could affect the ability of Developer to perform its obligations pursuant to this Agreement.

3) The execution, delivery and performance by the Developer of this Agreement has not constituted or will not, upon the giving of notice or lapse of time, or both, constitute a breach or default under any other agreement to which Developer is a party or may be bound or affected, or a violation of any law or court order which may affect the Developer Parcel or the Park Parcel, or any part thereof, any interest therein or use thereof.

4) The parties executing this Agreement on behalf of Developer have been duly authorized by all appropriate action to enter into, execute and deliver this Agreement and perform the terms and obligations contained therein.

5) Prior to the issuance of the RDA Certificate, Developer shall not, without the prior written consent of the Commissioner of HED (the "Commissioner"), which consent shall be in the Commissioner's sole discretion, assign its rights and obligations under this Agreement to any person or entity other than an Affiliate; provided, however, that this Agreement shall be not be construed as limiting the rights of any Permitted Lender (as defined in the RDA), to exercise its rights pursuant to the provision of a Permitted Mortgage or limiting the Developer's performance of its obligations in connection with such Permitted Mortgage (as defined in the RDA). After the issuance of the RDA Certificate, the Developer may assign its rights and obligations under this Agreement to an entity that succeeds to the Developer's ownership interest in the Developer Parcel and the Office Project so long as (a) the City receives at least ten (10) days prior notice of such sale, (b) such entity assumes this Agreement in writing pursuant to a written assignment and assumption agreement in recordable form, in the form of Exhibit F to this Agreement, or such other form as shall in form and substance be

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reasonably acceptable to such entity and the City, (c) if required by City ordinance or the Municipal Code, and subject to any administrative exemptions that may apply, such entity executes and delivers to the City an Economic Disclosure Form that does not disclose any material, adverse matters (and, depending on such entity's ownership structure, such additional Economic Disclosure Forms from its owners or controlling parties), (d) at the time of such succession, the Maintenance Reserve (as hereafter defined) is again refunded to the initial Two Hundred Fifty Thousand No/100 Dollar (\$250,000) amount, and (e) to the knowledge of the certifying party, no "event of default" (as defined in Section 11 below) exists under this Agreement. In the event one or more of (a) through (d) is not satisfied, the Commissioner shall have the authority to consent to such transfer, subject to the cure of the unsatisfied condition and such other reasonable requirements as the Commissioner may deem necessary or appropriate. At no time may the Developer grant, suffer or permit any lien, claim, or encumbrance upon the Park Parcel or any portion thereof except for those permitted liens and encumbrances set forth on Exhibit G and such other liens and encumbrances as the Commissioner may consent to, in the exercise of the Commissioner's reasonable discretion (including specifically, but without limitation, the lien of a mortgage that refinances a Permitted Mortgage, and any successor such mortgage) (the "Permitted Encumbrances").

6) Developer has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with this Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into this Agreement or any City Contract with Developer in violation of Chapter 2-156-020 of the Municipal Code of Chicago.

7) Developer shall develop, construct, maintain, repair and replace the Park Improvements in accordance with the terms and provisions of this Agreement.

B. Covenants, Representations and Warranties of the City. The City hereby covenants, represents and warrants to Developer that the City has the authority under its home rule powers granted in the Constitution of the State of Illinois to enter into, execute, deliver and perform its obligations thereunder.

C. Survival of Representations and Warranties. The representations and warranties of the Developer and the City set forth in this Agreement are true as of the execution date of the Agreement and will be true in all material respects at all times hereafter, except with respect to matters have been disclosed in writing and approved by the other party.

SECTION 6 TITLE; IN FILL PARCEL EASEMENT

A. Title Commitment and Insurance. Simultaneously with the Developer's grant of the Easement interest to the City, the Developer shall provide the City with a title policy issued by Chicago Title Insurance or another title insurance company reasonably acceptable to the City insuring the City's Easement interest in an insured amount mutually acceptable to the parties, and as otherwise required under the RDA.

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B. Survey. Simultaneously with the Developer's grant of the Easement interest to the City, the Developer shall provide the City with a current ALTA survey of the Park Parcel containing such Table A requirements as the City may reasonably require, and as otherwise required under the RDA.

C. Upon receipt of the Riverwalk Approvals, and without the further approval of City Council, the Commissioner of the Department of Transportation shall have authority grant to Developer pursuant to a separate recordable agreement in a form acceptable to Developer and the City, to the extent of the City's interest in and jurisdiction with respect to the Chicago River and without requiring any payment of compensation, such additional easement interest, right of encroachment or similar use right as may be necessary or appropriate for the Developer to maintain, repair and replace the riverwalk on the In-Fill Parcel. The filing and securing of the Riverwalk Approvals and design and construction of such additional riverwalk, shall be done at no cost to the City (except to the extent that improvements made in the riverwalk encroachment area are TIF-eligible expenses reimbursed from City Funds under the RDA).

SECTION 7 CONTINUING OBLIGATIONS OF DEVELOPER

After the City's issuance of the RDA Certificate, the Developer shall comply with the covenants set forth in this Section 8, and the other provisions of this Agreement applicable to the continuing use of the Park and the maintenance, repair and replacement of the Park Improvements, all of which shall run with the Developer Parcel and the Park Parcel and shall be binding upon the Developer and the Developer's Successors and Assigns. Any such assignee or successor shall, at the time of such assignment or succession, execute a written acknowledgment in favor of the City acknowledging such party's obligations under this Agreement. The Developer, and Developer's Successors and Assigns, shall not be obligated under this Agreement to provide private security service or police protection in the Park.

A. Maintenance of the Park

(1) On-Going Maintenance of the Park Improvements. Developer, at its sole cost and expense, shall: (a) maintain, repair and, if required, replace, the trees, plants, and vegetation (including annual and seasonal flower beds), the brick pavers, sidewalks, paving, fixtures, benches, fencing, furnishings, improvements and the sprinkler systems (including draining the sprinkler lines when and as appropriate) and all other Park Improvements, whether above ground or below ground; (b) provide light bulb replacement for all light fixtures located at the Park and pay for all utility costs associated with the Park; (c) provide trash pickup and disposal services for the daily use of the park and programming reasonably contemplated by this Agreement; and (d) remove snow and arrange for the removal of leaves, litter, debris and other waste materials (collectively "Ordinary Maintenance Obligations"). The programming committee described in Section 4, in approving park programming, shall take into account whether proposed scheduled activities may require maintenance and repairs which are in excess of Developer's Ordinary Maintenance Obligations and, if so, shall identify additional sources of funds to be made available to Developer to pay for or resources to perform any extraordinary obligations prior to the actual holding of any such activities.

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2) Maintenance Reserve for the Park. At the time of the City's issuance of the RDA Certificate, the Developer shall fund an initial maintenance reserve in the amount of \$250,000 to fund the performance of the Developer's obligations under this Agreement (together with any interest earned thereon, the "Maintenance Reserve"). Such account shall be named or otherwise identified as the "Park Maintenance Reserve Trust Account" or words of similar effect to identify the custodial nature of such account, but shall be under the Developer's control. No other funds shall be deposited into such account, nor shall any funds be withdrawn from such account except to pay for costs incurred pursuant to this Agreement. On or before January 15th and July 15th of each calendar year, the Developer shall submit to the City account statements reflecting the current balance of such trust account. This Agreement shall be recorded as an encumbrance against the Developer Parcel to secure the (a) establishment of the Maintenance Reserve, (b) replenishment of such Maintenance Reserve from time to time, and (c) performance of the maintenance obligations of the Developer under this Agreement, which, if not performed, and if instead performed by the City, shall give rise to a lien against the Developer Parcel, which lien may be enforced by the City and shall be in the amount of the cost of curing such default.

3) Inspection Requirements. Every two years after the issuance of the RDA Certificate (or such other interval as may be agreed upon by the parties), Developer shall cause a licensed structural engineer to inspect the structural elements of the Park Improvements and prepare a written report summarizing the physical condition of such structural elements and, if applicable, setting forth any recommended maintenance, repair and/or replacement work. Developer shall also permit any applicable City departments charged with making structural inspections to inspect such structural elements. If City inspectors make findings that (A) the structural elements do not comply with applicable code requirements, or that (B) the condition of such structural elements otherwise poses a direct and immediate threat to public health and safety, the Developer shall remedy such code deficiencies and undertake such maintenance, repair and replacement work as may be necessary or appropriate to address the conditions that pose such a direct and immediate threat. Developer retains the right to challenge or dispute alleged code deficiencies, to the same extent as any other property owner.

4) Notice to the City. Developer agrees to notify the City in writing of any injury to persons or property relating to the Park within seven (7) days of the date that the Developer becomes aware of such injury, and in the instance of an emergency, to notify the City immediately by telephone and email

notice by contacting Mr. Robert Wolf, Department of Housing and Economic Development, City of Chicago, Room 1000, City Hall, Chicago, Illinois 60602 (Email: Robert.Wolf@cityofchicago.org <mailto:Robert.Wolf@cityofchicago.org>), or such other person as the City shall designate to Developer in writing. Furthermore, Developer agrees to notify the City immediately in the method described in this paragraph in the event that it learns that the Park is being utilized by any of the public in violation of this Agreement. Notwithstanding anything to the contrary contained in this paragraph, this Section 7.A.(4) shall not be construed to obligate the Developer to provide any private security for the use of the Park. Failure to notify the City (as provided for herein) shall not give rise to a claim for damages by the City against Developer.

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SECTION **INSURANCE**

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A. During the construction of the Park Improvements and term of the RDA and until issuance of the RDA Certificate, the Developer, its general contractor and any other required parties shall at all times satisfy the insurance requirements set forth in Section 12 of the RDA.

B. After the issuance of the RDA Certificate, the Developer shall at all times thereafter continue to maintain (i) All Risk Property Insurance at replacement value of the Park Improvements to protect against loss of, damage to, or destruction, of the Park Improvements, with the City named as additional loss payee on such policy and including a railroad operations endorsement, and (ii) comprehensive general liability insurance (including any liability insurance carried under so called excess or "umbrella" policies) with respect to the Park Parcel in such amount as the Developer shall thereafter from time to time be required to carry with respect to the Office Project under the Permitted Mortgage(s) and the related security documents, and (iii) all such other insurance coverage(s) as the Developer is required to maintain under the Permitted Mortgage(s) and the related security documents. The Developer shall, on or before January 15th of each calendar year, provide the City with evidence of the then applicable insurance requirements of such Permitted Mortgage(s) and security documents and evidence of compliance with the foregoing requirements. All insurance proceeds shall be the property of Developer (subject to the rights of any mortgagee(s) under Permitted Mortgage(s)) and shall be applied for restoration of the Park to the extent such proceeds are necessary to repair any damage to or destruction of the Park Improvements. If such proceeds are insufficient to restore such Park Improvements, the Developer shall be required to fund any shortfall amount to complete such restoration. The Commissioner of HED shall have authority to administratively amend this Agreement to document such continuing insurance requirements.

SECTION 9 INDEMNITY

The Developer agrees to indemnify, defend and hold the City, its elected officials and employees, harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, attorneys' fees and court costs) (collectively, "Indemnified Costs") suffered or incurred by the City or such persons arising from or in connection with the construction of the Park Improvements by the Developer or the Developer's failure to perform its obligations under this Agreement. The foregoing indemnity, defense and hold harmless obligation shall not be construed to require the Developer to indemnify such indemnitees where the Indemnified Costs arise out of the sole negligence and/or sole willful and wanton misconduct of one or more indemnitees. Without limiting the generality of the foregoing, such Indemnified Costs shall include any amounts payable by reason of the environmental condition of the Park Parcel. This indemnification shall survive any termination of this Agreement.

**SECTION 10 TERM OF THE
AGREEMENT**

The term of this Agreement shall commence as of the date hereof and, unless otherwise terminated by the City in writing, pursuant to an ordinance approved by the City Council, shall

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run in perpetuity.

**SECTION 11
PERFORMANCE, EVALUATION AND BREACH; REMEDIES**

A. Time of the Essence. Time is of the essence in the parties' performance of their obligations under this Agreement. Should any milestone date fall on a weekend or holiday, the deadline for compliance shall not occur until the next regular business day.

B. Permitted Delays. The Developer shall not be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of the Developer to discharge its obligations hereunder, including, without limitation, delays arising out of (i) the inability to obtain or delays of the Riverwalk Approvals, (ii) the action, inaction, or requirements or conditions imposed by, Chicago Union Station Company ("CUSCO"), National Railroad Passenger Corporation ("Amtrak") or other railroads which use the tracks and facilities of CUSCO or Amtrak located in the land lying below the Park Parcel (the "Railroad Property") or (iii) events upon or conditions of the Railroad Property. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

C. Breach. Except as otherwise provided in this Agreement, in the event of a default by the Developer in the performance of its obligations under this Agreement, the Developer, upon written notice from the City, shall cure or remedy the default not later than sixty (60) days after receipt of such notice. If the default is not capable of being cured within the sixty (60) day period but the Developer has commenced action to cure the default and is diligently proceeding to cure the default within the sixty (60) day period, then the sixty (60) day period shall be extended for the length of time that is reasonably necessary to cure the default. If the default is not cured in the time period provided for herein, the City may institute such proceedings at law or in equity as may be necessary or desirable in its sole discretion to cure and remedy the default, including but not limited to, proceedings to compel specific performance. The City shall also have the right to receive an assignment of the unspent Maintenance Reserve from the Developer where the Developer fails to perform its maintenance obligations pursuant to Section 8.A(1) and an amount equal to the difference between such unspent Maintenance Reserve and Two Hundred Fifty Thousand and No/100 Dollars (\$250,000). The City shall also have the remedies specified in Section 4. In no event, however, shall the City's remedies under this Agreement include any set off against, suspension or withholding of any payment under or termination of the City Note issued pursuant to the RDA or any remedy that would adversely affect the City's making of payments under the City Note after such City Note has been issued pursuant to the RDA.

For purposes of this Agreement, the occurrence of any one or more of the following shall

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constitute an "event of default":

- 1) Developer fails to perform, keep or observe any of the material covenants, conditions, promises, agreements or obligations required under this Agreement, or
- 2) Developer makes or furnishes a warranty, representation, statement or certification to the City which is not true and correct in any material respect; or
- 3) A petition is filed by or against Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereinafter existing, which is not vacated, stayed or set aside within sixty (60) days after filing and which impairs the ability of the Developer to perform its obligations as and when required under this Agreement; or
- 4) Subject to the permitted delays provision of Section II.B, Developer abandons or suspends construction of the Park Improvements, and such abandonment or suspension is not cured, ended or remedied in within one hundred twenty (120) days of the date Developer receives written demand by the City to cure such default, or such longer period as may be provided for in the RDA; or
- 5) Developer suffers or permits any lien or encumbrance that is not a Permitted Encumbrance to attach to or encumber the Park Parcel; or
- 6) Developer fails to comply with the terms of the RDA and such failure to comply is not cured in accordance with the RDA.

D. Notice of Default to Lender. The City shall use reasonable efforts to cause any notice of default delivered to Developer to also be delivered to any Permitted Lender at the address set forth in Section 18, but failure to deliver such notice shall not prevent the City from exercising its remedies. Such Permitted Lender shall have the same opportunities to cure any such default(s) as are afforded to Developer as afforded to Developer herein.

' E. Waiver and Estoppel. Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City of or limit such rights in any way. No waiver made by the City with respect to any specific default by Developer shall be construed, considered or treated as a waiver of the rights of the City with respect to any other defaults of Developer, and shall not be effective unless given in writing.

F. Access to the Property. Until the expiration of the Term of this Agreement, any duly authorized representative of the City shall have access to the Park Parcel at all reasonable times for the purpose of confirming Developer's compliance with its obligations under this Agreement.

G. City's Right to Inspect Records. Developer agrees that the City shall have the right and authority to review and audit, from time to time, Developer books and records solely relating to the Park and the Park Parcel, including, without limitation, general contractor's sworn statements, the contract with the General Contractor and subcontracts, purchase orders, waivers of lien, paid receipts and invoices. All such books, records and other documents shall be

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available at the offices of Developer for inspection, copying, audit and examination at all reasonable times by any duly authorized representative of HED upon prior reasonable notice to Developer and at HED's sole cost and expense.

H. Evaluation. Upon written request by the City, but not more frequently than once on an annual basis, Developer shall submit to the City a written report describing the maintenance of the Park Improvements and all costs attendant thereto. After delivery of the report, at the City's request, representatives of the City and of Developer shall meet and address any issues and concerns. Should the City determine, as a result of the review of the report and the site visit, that Developer is not complying with the terms and provisions of this Agreement, the parties agree that: (i) the City may deliver a notice of default as provided for in this Section and Developer shall thereafter have an opportunity to cure (as provided for in this Section 12); or (ii) in the alternative, the City, by written notice to Developer, may terminate this Agreement and receive an assignment of the unspent Maintenance Reserve from the Developer. The parties further agree that the City may terminate this Agreement at any time by delivering thirty (30) days prior written notice to Developer.

SECTION 12 CONFLICT OF INTEREST; CITY'S REPRESENTATIVES NOT INDIVIDUALLY LIABLE

Developer warrants that no agent, official, or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such agent, official or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly interested. No agent, official, or employee of the City shall be personally liable to Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to Developer or successor or on any obligation under the terms of this Agreement.

SECTION 13 BARRICADES, SIGNS AND PUBLIC RELATIONS

Prior to the commencement of any demolition or construction activity requiring barricades, Developer shall install a barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations. The City shall retain the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

At the request of the City, Developer shall erect a sign of size and style approved by HED in a conspicuous location at the Park Parcel during the construction of the Park Improvements, indicating that the undertaking of the Park is in accordance with City objectives. The City reserves the right to include the name, photograph, artistic rendering of the Park and other pertinent information regarding Developer and the Park in the City's promotional literature and communications.

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SECTION HEADINGS

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The headings of the various sections of this Agreement have been inserted for convenient reference only and shall not in any manner be construed as modifying, amending, or affecting in any way the express

terms and provisions thereof.

**SECTION 15 GOVERNING
LAW**

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

**SECTION 16. ENTIRE
AGREEMENT**

This Agreement and the RDA constitute the entire contractual agreements between the parties and supersede and replace completely any prior agreements between the parties with respect to the development, use and operation of the Park, which is also subject to the River Point Ordinances and the River Point PD Ordinance. This Agreement may not be modified or amended in any manner other than by supplemental written agreement executed by the parties; provided, however, that any of the aforementioned documents may be independently amended without such amendment being deemed an amendment to such other documents.

**SECTION 17
SEVERABILITY**

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

SECTION 18 NOTICES

Any notice, demand or communication required or permitted to be given hereunder shall be given in writing at the addresses set forth below by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier; or (d) registered or certified first class mail, postage prepaid, return receipt requested:

| | |
|-----------------|--|
| If to the City: | City of Chicago Department of Housing and Economic Development 121 North LaSalle Street Room 1000-City Hall Chicago, Illinois 60602 Attn: Commissioner FAX: (312) 744-2271 |
|-----------------|--|

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| | |
|-----------------|---|
| With a copy to: | City of Chicago Department of Law 121 North LaSalle Street, Room 600 Chicago, Illinois 60602 Attn: Deputy Corporation Counsel, Real Estate Division FAX: (312) 742-0277 |
|-----------------|---|

and
The Honorable Brendan Reilly
121 North LaSalle Street Room 300
Chicago, Illinois 60602 FAX: (312) 642
-0420

If to the Developer: River Point LLC
c/o Hines Interests Limited Partnership One South
Dearborn Street Suite 2000
Chicago, Illinois 60603 Attn: Greg
van Schaack

and

Ivanhoe Cambridge
525, 8th Avenue S.W., Suite 4200 Calgary, Alberta, Canada T2P1G1
Attn: Arthur Lloyd,
Executive Vice President, Investments, Western North America

and

Ivanhoe Cambridge
1001 square Victoria, Bureau C - 500 Montreal,
Quebec, Canada H2Z 2B5
Attn: Pierre-Francois Chapleau,
Vice President, Office Development, North America

With a copy to: DLA Piper LLP (US)
203 North LaSalle Street Suite 1900
Chicago, Illinois 60601
Attn: David Reifman and Jesse Dodson
FAX: (312)256-7516

Any notice, demand or communication given pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means, respectively. Any notice, demand or communication given pursuant to clause (c) shall be

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deemed received on the day immediately following deposit with the overnight courier. Any notice, demand or communication sent pursuant to clause (d) shall be deemed received three (3) business days after mailing. The parties, by notice given hereunder, may designate any further or different addresses to which subsequent notices, demands or communications shall be given.

SECTION 19 **COUNTERPARTS**

This Agreement may be executed in counterparts, each of which shall constitute an original instrument.

SECTION 20 SUCCESSORS AND ASSIGNS

• The terms and conditions of this Agreement shall apply to and bind the successors and assigns of the parties. For the purposes of this Agreement, Developer's successors and assigns shall be limited to those parties which succeed the Developer in title to the Developer Parcel, or any portion thereof, and such other parties that may assume the Developer's obligations under this Agreement in writing pursuant to Section 5.A(5) of this Agreement (such parties, "Developer's Successors and Assigns"). Where Developer seeks to convey or assign its rights and obligations under this Agreement, the City shall reasonably cooperate with such transferee or assignee to inform such party of the status of Developer's performance of its obligations under this Agreement or the RDA, provided, however, that the City, which as a unit of government may not be estopped by any mistaken statement made by its elected officials or employees, shall in instance be bound by any information provided by the City as to the status of such performance. If the Developer transfers the Park Parcel and the Developer Parcel and the Office Project as permitted under such Section 5.A(5) in accordance with the terms of this Agreement, Developer shall be released from all liability and/or obligations accruing after such transfer or assignment and shall have no further rights under this Agreement. In addition, if a lender holding a Permitted Mortgage forecloses or otherwise exercises its rights pursuant to such Permitted Mortgage and the related security documents, such lender shall only be liable for obligations accruing after the initiation of the exercise of its rights and shall have no liability for defaults or obligations arising prior to such time including, without limitation, any event of default by developer or any other duty or obligation of Developer, except to the extent such event of default of duty is continuing (such as, for example a failure to perform a maintenance obligation required under this Agreement).

SECTION 21 [INTENTIONALLY OMITTED]

SECTION 22 ASSIGNABILITY AND TRANSFER

The Developer shall have no right to assign, transfer or convey any of its duties or obligations under this Agreement as they relate to the Park, except to Developer's Successors and Assigns. The City shall have no right to assign, transfer or convey any its rights under this Agreement, including but not limited to its easement rights as set forth in Section 3, without Developer's consent, which consent shall not unreasonably be withheld; provided, however, that

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no such consent shall be required with respect to an assignment, transfer or conveyance to the Chicago Park District or another unit of local government that, consistent with its enabling legislation, is authorized to own (or hold an easement interest in) park and open space.

SECTION 23 FURTHER ASSURANCES

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

SECTION 24 SURVIVAL

All representations and warranties contained in this Agreement are made as of the execution date of this Agreement and the execution, delivery and acceptance hereof by the parties shall not constitute a waiver of rights arising by reasons of any misrepresentation.

SECTION 25 CUMULATIVE REMEDIES

Subject to any express limitation of the scope of remedies provided herein and the RDA, the remedies of any party hereunder are cumulative and the exercise of any one or more of the remedies provided by this Agreement shall not be construed as a waiver of any of the other remedies of such party unless specifically so provided herein.

SECTION 26 DISCLAIMER

No provision of this Agreement, nor any act of the City, shall be deemed or construed by any of the parties, or by third persons, to create or imply to create the relationship of third-party beneficiary, or of principal or agent, or of limited or general partnership, or of joint venture, or of any association or relationship involving the City, the Developer or any owner of any portion of the Developer Property.

SECTION APPROVAL

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Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, HED or the Commissioner in writing and in the reasonable discretion thereof and not unreasonably delayed. The Commissioner or other person designated by the Mayor shall act for the City or HED in making all approvals, consents and determinations of satisfaction or otherwise administering this Agreement for the City.

SECTION 28 VENUE AND JURISDICTION

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

SECTION 29 BUSINESS RELATIONSHIPS

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

Business Relationship, and (c) notwithstanding anything to the contrary contained in this Agreement, that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that no violation of Section 2-156-030(b) has Occurred with respect to this Agreement or the transactions contemplated hereby.

SECTION 30 PATRIOT ACT CERTIFICATION

The Developer represents and warrants that neither the Developer nor any Affiliate thereof (as defined in the next paragraph) is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List

As used in the above paragraph, an "Affiliate" shall be deemed to be a person or entity related to the Developer that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with Developer, 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.

SECTION 31 MAYORAL EXECUTIVE ORDER NO. 2011-

4

Developer agrees that Developer, any person or entity who directly or indirectly has an ownership or beneficial interest in Developer of more than 7.5 percent ("Owners"), spouses and domestic partners of such Owners, Developer's contractors (i.e., any person or entity in direct contractual privity with Developer regarding the subject matter of this Agreement)

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

Developer represents and warrants that from and after May 16, 2011, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Developer 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.

Developer 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.

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

If Developer intentionally violates this provision or Mayoral Executive Order No. 2011-4 prior to the closing of this Agreement, the City may elect to decline to close the transaction contemplated by this Agreement.

For purposes of this provision:

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

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

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

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

- A. they are each other's sole domestic partner, responsible for each other's common welfare; and
- B. neither party is married; and
- C. the partners are not related by blood closer than would bar marriage in the State of Illinois; and
- D. each partner is at least 18 years of age, and the partners are the same sex, and the partners reside at the same residence; and
- E. two of the following four conditions exist for the partners:
 - (1) The partners have been residing together for at least 12 months.
 - 2) The partners have common or joint ownership of a residence.

- 3) The partners have at least two of the following arrangements:
 - a) joint ownership of a motor vehicle;
 - b) a joint credit account;
 - c) a joint checking account;
 - d) a lease for a residence identifying both domestic partners as tenants.
- (4) Each partner identifies the other partner as a primary beneficiary in a will.

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

SECTION 32 WASTE ORDINANCE PROVISIONS

In accordance with Section 11-4-1600(e) of the Municipal Code of Chicago, Developer warrants and represents that it, and to the best of its knowledge, its contractors and subcontractors, have not violated and are not in violation any provisions of Section 7-28 or Section 11-4 of the Municipal Code.

SECTION 33 SUBORDINATION

No mortgage shall be executed with respect to the Park Parcel unless the holder of such
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mortgage executes a Subordination Agreement in the form attached hereto as Exhibit H or such Other form as may be reasonably acceptable to the City which subordinates- the lien of the mortgage to this Agreement.

SECTION 34 COOPERATION WITH INSPECTOR GENERAL AND LEGISLATIVE INSPECTOR GENERAL

It is the duty of Developer and any bidder, proposer, contractor, subcontractor, and every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners, and employees of any such grantee, subgrantee, bidder, proposer, contractor, subcontractor or such applicant to cooperate with the Legislative Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-55 of the Municipal Code, and to cooperate with the Inspector General in any investigation or hearing undertaken pursuant to Chapter 2-56 of the Municipal Code. Landlord represents and warrants that it understands and will abide by all provisions of Chapter 2-55 and Chapter 2-56 of the Municipal Code and that Landlord will inform its contractors and subcontractors of this provision and require their compliance.

SECTION 35 FAILURE TO MAINTAIN ELIGIBILITY TO DO BUSINESS

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

**SECTION 36 SHAKMAN
ACCORD**

A. The City is subject to the May 31, 2007 Order entitled "Agreed Settlement Order and Accord" (the "Shakman Accord") and the August 16, 2007 "City of Chicago Hiring Plan" (the "City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United States District Court for the Northern District of Illinois). Among other things, the Shakman Accord and the City Hiring Plan prohibit the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

B. Developer is aware that City policy prohibits City employees from directing any individual to apply for a position with Developer, either as an employee or as a subcontractor, and from directing Developer to hire an individual as an employee or as a subcontractor. Accordingly, Developer must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Developer under this Agreement are employees or subcontractors of Developer, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise

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recognize an employer-employee relationship of any kind between the City and any personnel provided by Developer.

C. Developer will not condition, base, or knowingly prejudice or affect any term or aspect to the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party- is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

D. In the event of any communication to Developer by a City employee or City official in violation of subparagraph(ii) above, or advocating a violation of subparagraph (iii) above, Developer will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General ("IGO Hiring Oversight"), and also, to the head of the relevant City Department utilizing services provided under this Agreement. Developer will also cooperate with any inquiries by IGO Hiring Oversight or the Shakman Monitor's Office related to the contract.

[SIGNATURES APPEAR ON NEXT PAGE]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By:

Commissioner

RIVER POINT LLC, a Delaware limited liability company

By:

Its:

This instrument was prepared by:

Steven J. Holler Deputy Corporation Counsel
City of Chicago Law Department 121 N. LaSalle

Street, Room 600 Chicago, Illinois 60602 (312)
744-6934

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STATE OF ILLINOIS COUNTY OF COOK

)
) SS.
)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that as _____, s/he signed and delivered the instrument pursuant to authority given by _____, in its capacity as _____ of _____ (the "LLC"), as her/his free and voluntary act and as the free and voluntary act and deed of the LLC, for the uses and purposes therein set forth.

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

NOTARY PUBLIC

STATE OF ILLINOIS COUNTY OF COOK

)
) SS.

)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that _____, personally known to me to be the Commissioner of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me acknowledged that as the Commissioner, he signed and delivered the instrument pursuant to authority given by the City of Chicago, as his free and voluntary act and as the free and voluntary act and deed of the corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this _____ th day of _____, 20012.

NOTARY PUBLIC

EXHIBIT A

LEGAL DESCRIPTION OF DEVELOPER PARCEL

LOTS 1, 4 AND 4A IN THE RIVERPOINT SUBDIVISION, BEING A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED MARCH 24, 2009 AS DOCUMENT NUMBER 0908310021, IN COOK COUNTY, ILLINOIS.

EXHIBIT B

LEGAL DESCRIPTION OF PARK PARCEL

LOTS 2 AND 3 IN THE RIVERPOINT SUBDIVISION, BEING A SUBDIVISION IN THE SOUTHWEST QUARTER OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT RECORDED MARCH 24, 2009 AS DOCUMENT NUMBER 0908310021, IN COOK COUNTY, ILLINOIS.

EXHIBIT C

DEPICTION OF DEVELOPER PARCEL AND PARK PARCEL

[TO COME]

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EXHIBIT D

DEPICTION OF ENCROACHING PARK IMPROVEMENTS [SEE ATTACHMENT]

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EXHIBIT E

DEPICTION OF PUBLIC AND HANDICAPPED POINTS OF INGRESS/EGRESS

[TO COME]

EXHIBIT F PERMITTED ENCUMBRANCES [TO COME]

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-33 -

EXHIBIT G

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This document prepared by and after

recording should be returned to:

Steven J. Holler Deputy Corporation Counsel
Department of Law City of Chicago
121 N. LaSalle Street, Room 600
Chicago, Illinois 60602

Permanent Tax Index Nos.:

- -0000
- -0000

Property Address:

Chicago, Illinois 60601

**ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT, EASEMENT AND
MAINTENANCE AGREEMENT
(RIVER POINT PARK)**

This Assignment and Assumption of Development, Easement and Maintenance Agreement (River Point Park) (the "Agreement") is made and entered as of [], by and among River Point LLC, a Delaware limited liability company (the "Seller"), and [] (the "Purchaser"). Capitalized terms not otherwise defined herein shall have the meaning given in that certain Development, Easement and Maintenance Agreement (River Point Park) by and between Seller and the City of Chicago ("City") dated [], 2012 and recorded in the Recorder's Office of Cook County on [], 2012 as document no. [] (the "DEM Agreement").

RECITALS

A. Pursuant to that certain [] dated as of [] (the "Purchase and Sale Agreement"), the Seller has contracted to sell, and the Purchaser has contracted to purchase, the Developer Parcel and the Park Parcel legally described on Exhibit A and Exhibit B to this Agreement, respectively, subject to the terms and conditions of such Purchase and Sale Agreement.

B. Section 4.A(5)(b) of the DEM Agreement requires the execution and delivery of this Agreement.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties hereto agree to the following:

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1. Assignment and Assumption. Seller hereby assigns, and Purchaser hereby assumes, the liabilities and obligations to be performed after the date hereof by Developer the under the DEM Agreement.

2. Release. Purchaser acknowledges that upon the transfer of the Park Parcel to the Purchaser, and Purchaser's assumption of the DEM Agreement pursuant to this Agreement, Seller shall be released from any and all obligations under the DEM Agreement, except to the extent any such obligations (if any) are expressly set forth in and survive under the terms of the Purchase and Sale Agreement.

3. No Event of Default. Seller and Purchaser each represent and warrant to the other (and to the City, which

is an intended third party beneficiary of this Agreement) that it has no knowledge of any "event of default" under the DEM Agreement, nor knowledge of any circumstance or condition which, with the giving of notice and lapse of any applicable cure period provided for in the DEM Agreement, would give rise to such an "event of default."

4. Maintenance Reserve. Unless the Purchase and Sale Agreement provides for the Purchaser to provide such funding, on the date of the transfer of the Developer Parcel and the Park Parcel to the Purchaser, the Seller fund the Maintenance Reserve with sufficient funds so that, as of such transfer date, the Maintenance Reserve balance is Two Hundred Fifty Thousand and No/100 Dollars (\$250,000).

5. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument.

6. Binding Obligations; Illinois Law Controlling. This Agreement shall be binding upon and inure to the benefit of each party's respective successors and assigns. Illinois law shall control the interpretation of this Agreement.

7. Amendments in Writing Only. The terms of this Agreement shall not be amended unless such amendment is in writing executed by all parties hereto.

8. Recording. Purchaser shall promptly cause this Agreement to be recorded in the Recorder's Office of Cook County, Illinois.

9. Notices. Purchaser agrees that for purposes of notices delivered pursuant to Section 18 of the DEM Agreement, the Developer's address shall hereafter be:

[INSERT NEW NOTICE INFORMATION] In addition, the

Purchaser's day-to-day contact person shall be:

[INSERT CONTACT INFORMATION FOR PROPERTY MANAGER]

10. Third Party Beneficiary. The parties acknowledge that the City is an intended third party beneficiary of this Agreement, which has been executed pursuant to Section 4.A(5)(b) of the DEM Agreement.

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IN WITNESS WHEREOF, the parties below have executed this Agreement as of [

SELLER:

RIVER POINT, LLC, a Delaware limited liability company

By:

Name:

Title:

PURCHASER:

[]

By:

Name:

Title:

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STATE OF ILLINOIS)

)SS.

COUNTY OF COOK)

I, _____, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, in his capacity as [_____] of River Point, LLC, a Delaware limited liability company (the "Company"), who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer s/he appeared before me this day in person and acknowledged that he signed and delivered said instrument as her/his own free and voluntary act and as the free and voluntary act of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this _____ day of [_____] .

(SEAL)

Notary Public

My Commission Expires: _____ .

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STATE OF ILLINOIS COUNTY OF COOK

)
)SS.)

I, _____, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that \ _____ 1, in his capacity as [_____] of [_____] a [_____] (the "Company"), who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such officer s/he appeared before me this day in person and acknowledged that he signed and delivered said instrument as her/his own free and voluntary act and as the free and voluntary act of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this _____ day of [_____] .

(SEAL)

Notary Public

My Commission Expires:

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(SUB)EXHIBIT A

DEVELOPER PARCEL LEGAL DESCRIPTION (See Attachment)

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(SUB)EXHIBIT B

PARK PARCEL LEGAL DESCRIPTION (See Attachment)

EAST\49089728.5

EXHIBIT H

FORM SUBORDINATION AGREEMENT

This document prepared by
and after recording return to:
Steven J. Holler
Assistant Corporation Counsel
Department of Law
City of Chicago
121 North LaSalle Street, Room 600 Chicago, IL
60602

SUBORDINATION AGREEMENT

This Subordination Agreement ("Agreement") is made and entered into as of the
day of , 201 , between the City of Chicago, acting by and through its
Department of Housing and Economic Development (the "City"), and [INSERT NAME OF LENDER]
("Lender").

RECITALS

A. Lender is or will be (a) mortgagee under that certain [INSERT NAME OF MORTGAGE] ("Mortgage") dated , 201 granted by River Point, LLC, a Delaware limited liability company (the "Developer") in favor of Lender and to be recorded in the Recorder's Office of Cook County (the "Recorder's Office"), (b) assignee under that certain [INSERT NAME OF ASSIGNMENT OF RENTS] dated , 201 granted by Developer in favor of Lender and to be recorded in the Recorder's Office, and (c) as secured party under that certain financing statement executed by the Developer, as debtor, in favor of Lender, as secured party, and to be filed with the Secretary of State of Illinois ((a), (b) and (c), collectively, together with all other documents evidencing or securing the Lender's financing, the "Lender's Documents"). The Lender's Documents secure that certain [INSERT NAME OF PROMISSORY NOTE] made by the Developer and payable to Lender in the original principal amount of [\$] (the "Note") and certain other amounts specified in the Lender's Documents.

B. The Developer intends to construct certain public park improvements on the real property legally described on Exhibit A attached hereto and made a part hereof (the "Park Property"), in which the Developer shall grant the City a permanent easement interest for such public park purpose and use, pursuant to the terms and conditions of that certain Development, Easement and Maintenance Agreement by between the Developer and the City dated as of , 2012 (the "DEM Agreement"), which is being executed concurrently herewith (such

project, as more fully described in the DEM Agreement, the "Project").

C. Pursuant to the DEM Agreement, the Developer will agree to be bound by the

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obligations of the Developer set forth therein, (such obligations, the "DEM Agreement Obligations"), which DEM Obligations will run with the Park Property in perpetuity.

D. The City has agreed to enter into the DEM Agreement with the Developer subject to, among other things, (a) the execution by the Developer DEM Agreement and the recording thereof as an encumbrance against the Park Property; and (b) the agreement by the Lender to subordinate its liens under the Lender's Documents to the DEM Obligations pursuant to this Agreement.

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

AGREEMENTS

1. Subordination. All rights, interests and claims of Lender in the Park Property, or any portion thereof, pursuant to the Lender's Documents are and shall be subject and subordinate to the Developer's DEM Agreement Obligations, which shall survive any foreclosure of the Lender's Mortgage or exercise of any other remedy by Lender under the Lender's Documents. Subject to the foregoing, however, nothing herein shall be deemed to limit any of Lender's other rights, remedies or other priorities under the Lender's Documents, including, without limitation, Lender's rights to receive, and the Developer's obligation to make, payments and prepayments of principal and interest on the Note, Lender's right to foreclose the Mortgage, and Lender's right to exercise Lender's other rights and remedies pursuant to the Lender's Documents, except as provided herein.

2. Notice of Default. Lender shall use reasonable efforts to give to the City, and the City shall use reasonable efforts to give to Lender, (a) copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Lender's Documents or the City's DEM Agreement, as applicable, and (b) copies of waivers, if any, of the Developer's default in connection therewith. Neither the Developer nor any other third party is an intended beneficiary of this Section 2. Failure of any party to deliver such notices or waivers shall in no instance alter the rights or remedies of such party under the Lender's Documents or the City's DEM Agreement, as applicable.

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

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

5. Section Titles; Plurals. The section titles contained in this Agreement are and shall be without

substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto. The singular form of any word used in this Agreement shall include the plural form.

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

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

With a copy to: City of Chicago Department of Law
 30 N. LaSalle Street, Suite 1610 Chicago,
 Illinois 60602 Attention: Real Estate Division

If to The Lender: [INSERT LENDER NOTICE ADDRESS]

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

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

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

LENDER:

[INSERT NAME]

By:
Its:

CITY:

CITY OF CHICAGO, an Illinois municipal corporation
and home rule unit of government, acting by and through
its Department of Housing and Economic Development

Commissioner
STATE OF ILLINOIS)

COUNTY OF COOK)

)SS

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

GIVEN under my hand and notarial seal this day of , 201 .

Notary Public

(SEAL)

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STATE OF ILLINOIS COUNTY OF COOK)

)
)SS

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

GIVEN under my hand and notarial seal this _____ day of _____, 201_____.

Notary Public

(SEAL)

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(SUB) EXHIBIT A LEGAL DESCRIPTION OF PARK PROPERTY

[TO COME]

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Exhibit E

Depiction of Encroachment Parcel [See Attachment]

Ordinance-2AmendRda-v3

Exhibit F

Fee Waivers Department of Construction and Permits.

Waiver of Plan Review, Permit and Inspection Fees-Building Permit:

Zoning.

Construction/Architectural/Structural.

Internal Plumbing.

H.V.A.C.

Water for Construction. Smoke Abatement.

Planned Development Part II Fees

Ordinance-2AmendRda-v3