

This agreement was prepared by and  
after recording return to:  
Ann R. Perkins  
City of Chicago Law Department  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

## SECOND AMENDMENT TO WILSON YARD REDEVELOPMENT PROJECT AREA REDEVELOPMENT AGREEMENT

This Second Amendment to the Wilson Yard Redevelopment Project Area Redevelopment Agreement (the "Second Amendment") is made as of this 1st day of October, 2008, by and among the City of Chicago, an Illinois municipal corporation (the "City"), through its Department of Planning and Development ("DPD"), Wilson Yard Development I LLC, an Illinois limited liability company (the "Master Developer"), Wilson Yard Partners, LP, an Illinois limited partnership (the "LIHTC Developer"), Wilson Yard Development Corporation, an Illinois corporation (the "LIHTC General Partner"), Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Senior Developer"), and Wilson Yard Senior Development Corporation, an Illinois corporation (the "Senior Developer General Partner").

### RECITALS

A. 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. 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. To induce redevelopment pursuant to the Act, the City Council of the City (the "the City Council") adopted the following ordinances on June 27, 2001: (1) "Approval of Wilson Yard Redevelopment Project Area Tax Increment Finance Program Redevelopment Plan and Project;" (2) "Designation of Wilson Yard Redevelopment Project Area as a Redevelopment Project Area Pursuant to Tax Increment Allocation Redevelopment Act;" and (3) "Adoption of Tax Increment Allocation Financing for the Wilson Yard Redevelopment Project Area" (the "TIF Adoption Ordinance"), (collectively referred to herein as the "TIF Ordinances"). The redevelopment project area (the "Redevelopment Area") is legally described on Exhibit A to the Agreement.

D. Pursuant to an ordinance adopted by the City Council on September 14, 2005, the City entered into that certain Wilson Yard Redevelopment Project Area Redevelopment

Agreement dated as of November 30, 2005 and recorded on December 20, 2005 as Document Number 0535403030 in the Office of the Cook County Recorder of Deeds with the Developers, as first amended by that certain First Amendment to the Wilson Yard Redevelopment Project Area Redevelopment Agreement on June 1, 2007 (the "First Amendment"), which First Amendment was authorized pursuant to an ordinance adopted by the City Council on May 23, 2007 (as amended by the First Amendment, the "Agreement").

E. Subsequent to the execution of the First Amendment, Developers have encountered a number of additional challenges that have caused changes to the nature, budget and timing of the project. Developers and the City have agreed to enter into this Second Amendment to memorialize such changes, which include, without limitation, increasing the amount of City Funds, amending the City Notes, increasing the Project Budgets and increasing the retail space.

F. Such aforementioned changes to the nature, budget and timing of the project require amendments to certain provisions of the Agreement.

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

#### **SECTION ONE: INCORPORATION; DEFINITIONS**

1.01. The recitals set forth above and the exhibits attached hereto are incorporated herein by reference and made a part hereof.

1.02. Any capitalized term used but not otherwise defined herein shall have the same meaning as set forth in the Agreement.

#### **SECTION TWO. AMENDED DEFINITIONS.**

2.01. City Note #1. Each reference in the following sections of the Agreement to \$4,818,439 as the maximum principal amount of City Note #1 is hereby adjusted to \$14,881,508: Sections 4.01, 5.17 and the definition of City Note #1 in Section 2. Exhibit E-1 Revised to the Agreement is hereby amended to be the form attached to this Second Amendment as Exhibit E-1 Second Revised. As of the date of this Second Amendment, City Note #1 will be deemed for all purposes to have a maximum principal amount of \$14,881,508 irrespective of the amount on the face of City Note #1. Upon Master Developer's return to the City of City Note #1, the City will reissue City Note #1 in the maximum principal amount of \$14,881,508.

2.02 City Note #2. The reference in the Section 2 definition of City Note #2 to \$12,547,891 as the maximum principal amount of City Note #2 is hereby adjusted to \$13,640,466. Exhibit E-2 Revised to the Agreement is hereby amended to be the form attached to this Second Amendment as Exhibit E-2 Second Revised. As of the date of this Second Amendment, City Note #2 will be deemed for all purposes to have a maximum principal amount of \$13,640,466 irrespective of the amount on the face of City Note #2. Upon Master Developer's return to the City of City Note #2, the City will reissue City Note #2 in the maximum principal amount of \$13,640,466.

2.03 City Note #3. The reference in the Section 2 definition of City Note #3 to \$2,773,017 as the maximum principal amount of City Note #3 is hereby adjusted to \$0. Exhibit

E-3 Revised to the Agreement is hereby amended to be the form attached to this Second Amendment as Exhibit E-3 Second Revised. As of the date of this Second Amendment, City Note #3 will be deemed for all purposes to have a maximum principal amount of \$0 irrespective of the amount on the face of City Note #3. Upon Master Developer's return to the City of City Note #3, the City will reissue City Note #3 in the maximum principal amount of \$0. At Developer's request, the City may cancel City Note #3.

2.04 City Note #4. The reference in the Section 2 definition of City Note #4 to \$9,261,452 as the maximum principal amount of City Note #4 is hereby adjusted to \$11,649,225. Exhibit E-4 Revised to the Agreement is hereby amended to be the form attached to this Second Amendment as Exhibit E-4 Second Revised. As of the date of this Second Amendment, City Note #4 will be deemed for all purposes to have a maximum principal amount of \$11,649,225 irrespective of the amount on the face of City Note #4. Upon Master Developer's return to the City of City Note #4, the City will reissue City Note #4 in the maximum principal amount of \$11,649,225.

2.05 City Note #5. The reference in the Section 2 definition of City Note #5 to \$2,664,515 as the maximum principal amount of City Note #5 is hereby adjusted to \$0. Exhibit E-5 Revised to the Agreement is hereby amended to be the form attached to this Second Amendment as Exhibit E-5 Second Revised. As of the date of this Second Amendment, City Note #5 will be deemed for all purposes to have a maximum principal amount of \$0 irrespective of the amount on the face of City Note #5. Upon Master Developer's return to the City of City Note #5, the City will reissue City Note #5 in the maximum principal amount of \$0. At Developer's request, the city may cancel City Note #5.

2.06. City Notes Definition. The reference in the Section 2 definition of City Notes is hereby amended by replacing \$32,065,314 with \$40,171,199.

2.07 Phase I Improvements. The definition of Phase I Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase I Improvements" shall mean the Master Developer's construction of (a) building "1," which will include a department store and an approximately 382-space parking garage, (b) building "2," formerly known as the Azusa Building, which will include approximately ~~46,000~~ 24,000 square feet of restaurants and retail stores, (c) building "5," which will be the relocated grocery store, (d) construction and dedication as a public right of way (and the City's acceptance of such dedication) of an extension of West Sunnyside Avenue and an alley extending from West Sunnyside Avenue to Montrose Avenue, and (e) the additional work and improvements identified in the column entitled "Phase I Structures" on the Project Budget attached hereto as Exhibit J-1 Second Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith. In connection with the undertaking of the Phase I Improvements, the Master Developer will incorporate design elements which reflect the character of the existing terra cotta façade of the Azusa Building, which may include: restoration of the current façade, use of materials similar in appearance to the existing terra cotta façade, and/or incorporation of original medallions and other elements from the existing façade, all as Developer may determine to be commercially feasible (including appropriateness of the cost thereof) in Developer's reasonable opinion.

2.08 Phase II Improvements. The definition of Phase II Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase II Improvements" shall mean the LIHTC Developer's construction of (a) building "3," which will include approximately 80 affordable rental dwelling units for families, and (b) the additional work and improvements identified in the column entitled "Phase II Structures" on the Project Budget attached hereto as Exhibit J-2 Second Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith, provided that the Master Developer may propose, and the Commissioner shall have the authority to approve, changes in uses and in the number and composition of dwelling units included in the Phase II Improvements, in accordance with the Change Order provisions set forth in Section 3.06 hereof; provided, any such changes also must include appropriate changes to the Plans and Specifications and the Project Budget.

2.09 Phase III Improvements. The definition of Phase III Improvements in Section 2 of the Agreement is hereby amended as follows:

"Phase III Improvements" shall mean the Senior Developer's construction of (a) building "4," which will include approximately 98 affordable rental dwelling units for seniors, and (b) the additional work and improvements identified in the column entitled "Phase III Structures" on the Project Budget attached hereto as Exhibit J-3 Second Revised and depicted in the site plan attached thereto as Schedule 1, and any necessary acquisitions, dedications, vacations, demolition, site preparation and environmental remediation required in connection therewith. The Master Developer may propose, and the Commissioner shall have the authority to approve, changes in the proposed uses and design of improvements (including changes in the number and composition of dwelling units) included in the Phase III Improvements, in accordance with the Change Order provisions set forth in Section 3.06 hereof; provided, any such changes also must include appropriate changes to the Plans and Specifications and the Project Budget.

2.10 Available Incremental Taxes. The definition of Available Incremental Taxes in Section 2 of the Agreement is hereby amended as follows:

"Available Incremental Taxes" shall mean an amount equal to the Incremental Taxes deposited in such year in the Wilson Yard TIF Fund that will be sufficient to cover the debt service (including, without limitation, all interest required to be deposited in the Escrow Account established and maintained pursuant to the Pledge Agreement) at the then current interest rate on the Lender Financing secured by the City Notes or is sufficient to repay the City Notes by their maturity. Available Incremental Taxes shall include Incremental Taxes accrued in 2024 but paid in 2025, as permitted by the Act.

### **SECTION THREE. AMENDED PROJECT BUDGETS, BUDGET EXHIBITS AND PROJECT TIMING.**

3.01. Section 3.05(a) is hereby amended to replace \$87,462,916 as the total costs for Phase I Improvements with \$81,841,734.

3.02. Section 3.05(b) is hereby amended to replace \$33,712,513 as the total costs for Phase II Improvements with \$34,772,383.

3.03. Section 3.05(c) is hereby amended to replace \$28,914,202 as the total costs for Phase III Improvements with \$32,969,431.

3.04. Exhibits J-1 Revised, J-2 Revised and J-3 Revised of the Agreement are hereby amended as set forth on Exhibit J-1 Second Revised, Exhibit J-2 Second Revised and Exhibit J-3 Second Revised attached to this Second Amendment.

3.05. Exhibit B of the Agreement is hereby amended as set forth on Exhibit B Second Revised attached to this Second Amendment

3.06. Each reference in the following sections of the Agreement to \$9,500,000 for acquisition of the Property is hereby adjusted to refer to costs of acquisition of the Property and other TIF-Funded Improvements, as certified by the Department of Planning and Development, not to exceed \$10,394,116: Sections 3.05(a), 4.01, 4.02, 4.03(b), 4.05(a) and 15.02.

3.07. Exhibits K-1, K-2 and K-3 of the Agreement are hereby amended as set forth on Exhibits K-1, K-2 and Exhibit K-3 Revised attached to this Second Amendment.

3.08. The references in Section 3.01 of the Agreement to "September 30, 2010" are hereby amended to read "May 31, 2011."

#### SECTION FOUR. CITY FUNDS.

4.01 Revised Project Costs and Sources of Funds. Section 4.01 of the Agreement is hereby amended as follows:

"4.01 Total Project Cost and Sources of Funds. The cost of the Project is estimated to be \$~~150,089,632~~ **149,583,547**, to be applied in the manner set forth in the Project Budgets. Such costs shall be funded from the following sources:

City Funds	\$41,565,313 <del>50,565,314</del> * † # +
Equity (subject to <u>Sections 4.03(b) and 4.06</u> )	\$49,384,491 <del>29,881,403</del>
Lender Financing	\$89,139,828 <del>69,136,830</del>
<b>ESTIMATED TOTAL</b>	<b>\$150,089,632 <u>149,583,547</u></b>

\* Because only \$9,500,000 **10,394,116** of the City Funds will be paid prior to the issuance of the Phase I Certificate, such amounts over \$9,500,000 **10,394,116** must be initially financed with additional Equity or Lender Financing.

† Because the maximum amount of environmental remediation costs are not known at this time, the maximum amount of City Funds may increase above the current estimate in accordance with Section 4.03(a) below.

# Prior to the Closing Date (and afterwards solely with the prior written consent of DPD), the maximum principal amount of each of the City Notes may be adjusted and reallocated as among the City Notes provided that the total maximum principal amount of the City Notes in the aggregate shall not exceed \$32,065,313 **40,171,199**.

+ The principal amount of the City Note #1 shall not include any costs relating to infrastructure improvements included in Phase I Improvements to the extent that such costs are actually paid by the Chicago Department of Transportation.

The Developers shall have the right to re-allocate line items in the sources of funds between the aforesaid Equity and Lender Financing, provided that the Developers shall, at all times, have sufficient funds to complete construction of the Project and to advance all Project costs in connection therewith.”

4.02. Aggregate Principal of City Notes. The reference in Section 4.03(b) of the Agreement to \$32,065,313 as the maximum aggregate principal amount of the City Notes is hereby adjusted to \$40,171,199. The Maximum Reimbursement Amount defined in the same Section shall be an amount not to exceed \$50,565,314 and all references in the Agreement to “28.7%” shall be replaced with “33.8%”. In addition, the pay as you go obligations described in the last sentence of the first paragraph of Section 4.03(b) shall be deemed to include (a) a total amount not to exceed \$500,000 permitted by the Act for job training, (b) the approximately \$1,500,000 (present value) interest subsidy for Phase I Improvements, and (c) annual payments for costs related to the acquisition of an interest in the Excess Parking Property, all of which shall not be subject to the Maximum Reimbursement Amount limitation. In addition, the reference in the last paragraph of Section 4.03(b) of the Agreement to “March 1” is hereby changed to “May 1”.

4.03. City Funds. The last paragraph of Section 4.03(a) of the Agreement is hereby deleted.

#### **SECTION FIVE. MISCELLANEOUS.**

5.01. Section 8.01(l) of the Agreement is amended to include John Mullen as a member of the Master Developer.

5.02. Except as amended hereby, the provisions of the Agreement remain in full force and effect in accordance with its terms.

5.03. In the event of any conflict between the provisions of the Agreement and the provisions of this Second Amendment, the provisions of this Second Amendment shall control.

5.04. All prior agreements, whether written or oral, regarding the amendment of the Agreement are superseded by this Second Amendment.

5.05. This Second Amendment may be executed in counterparts, each of which shall be deemed an original.

5.06. The Developer shall cause one original counterpart of this Second Amendment, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of the county in which the Project is located. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Second Amendment showing the date and recording number of record.

5.07. The City acknowledges that the Pledge Agreement will be amended on terms satisfactory to the City, the Developers and the Construction Lender (as defined therein).

5.08. The City acknowledges that the balance of City Funds that has not been disbursed to Developer shall be disbursed upon execution of this Second Amendment.

5.09. A new Section 15.04 is hereby inserted into the Agreement as follows:

"Section 15.04. Lender Notice and Cure Right. (a) In the event the City deems an Event of Default to have occurred, the City shall, at the time it gives notice thereof to the Developer, in good faith endeavor to give written notice of such Event of Default to any lender providing Lender Financing which has previously notified and evidenced to the City in writing that such party holds a first mortgage on or similar security interest in the Property or the City Notes; provided, however, that the City shall not be deemed to have failed to perform any of its obligations hereunder or to the lender if it fails or is unable to so notify a lender.

(b) The parties hereto agree and acknowledge that upon receipt of written notice from the City specifying the Developer's failure to perform any covenant hereunder, any lender providing Lender Financing shall have the right (but not the obligation), without notice to or demand on Developer to correct any such failure in such manner and to such extent as the lender may deem necessary in accordance with the provisions of this Section."

5.10. Section 17 of the Agreement is hereby amended by inserting the following under notice to Master Developer: "And With Copies To: Bank of America  
231 South LaSalle Street  
8<sup>th</sup> Floor  
Chicago, Illinois 60604  
Attention: \_\_\_\_\_"

And With Copies To: Charity & Associates, P.C.  
20 North Clark Street, Suite 700  
Chicago, Illinois 60602  
Attention: Elvin E. Charity, Esq."

5.11. Section 18.15 of the Agreement is hereby amended to insert at the end thereof the following:

"As used in this Section 18.15: (i) a "Target Transferee" shall mean any one or more of the following: Target Corporation, any entity of which Target is the majority shareholder or owner formed for the purpose of utilizing New Markets Tax Credits for the Project, and any affiliate of the foregoing, (ii) "Department Store Parcel" shall mean any portion of the Property that a Target Transferee owns or is leasing at the applicable point or period in time; and (iii) "Developer Assignee" shall mean any permitted assignee of a Developer who, pursuant to this Section 18.15, has contracted to assume rights and liabilities of such Developer hereunder. Notwithstanding any provision of the Agreement to the contrary, the City hereby consents to the conveyance of a portion of the Property to, or by, one or more Target Transferees and hereby approves each Target Transferee as an acceptable Anchor Site End User for the Department Store under Section 8.06(b) hereof, provided, however: (i) Section 8.06 shall run with the land constituting the

Department Store Parcel, and (ii) at all times prior to June 15, 2018, the City shall not be deemed to have provided any such prior consent or approval with respect to a Target Transferee that is not currently operating one or more department stores under a "Target" brand. Also notwithstanding any provision of the Agreement to the contrary, from and after a Target Transferee acquiring a portion of the Property: (i) no Target Transferee shall be deemed to be a Developer hereunder unless it also is a Developer Assignee; (ii) except to the extent a Target Transferee is also a Developer Assignee, no Target Transferee shall be deemed to have any joint and several liability hereunder with any Developer or party holding title to any other portion of the Property (including, without limitation, under Section 8.19 hereof); (iii) except to the extent a Target Transferee is also a Developer Assignee, the sole obligation of each Target Transferee under Section 8.02 hereof shall be to comply with federal, state and local laws, ordinances, rules, resolutions, executive orders and codes applicable to such Target Transferee and the Department Store Parcel, and in no other respect shall Section 8.02 hereof be deemed to run with the land constituting the Department Store Parcel; and (iv) Target Corporation (with respect to the Department Store Parcel only) may provide the insurance otherwise required under Section 8.19 hereof through a plan of self-insurance so long as Target Corporation holds a minimum of \$250,000,000 in both net worth and net current assets and promptly provides evidence of same to DPD upon written request."

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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to the Wilson Yard Development Project Area Redevelopment Agreement to be executed on or as of the day and year first above written.

CITY: CITY OF CHICAGO, acting by and through its Department of Planning and Development

By: Arnold Randall  
Arnold Randall, Commissioner

MASTER DEVELOPER: WILSON YARD DEVELOPMENT I, LLC, an Illinois limited liability company

By: \_\_\_\_\_  
Peter Holsten, its managing member

LIHTC DEVELOPER: WILSON YARD PARTNERS, L.P., an Illinois limited partnership

By: Wilson Yard Development Corporation, an Illinois corporation and its sole general partner

By: \_\_\_\_\_  
Peter Holsten, President

LIHTC GENERAL PARTNER: WILSON YARD DEVELOPMENT CORPORATION, an Illinois corporation

By: \_\_\_\_\_  
Peter Holsten, President

SENIOR DEVELOPER: WILSON YARD SENIOR HOUSING, L.P., an Illinois limited partnership

By: Wilson Yard Senior Development Corporation, an Illinois corporation and its sole general partner


By: \_\_\_\_\_  
Peter Holsten, President

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to the Wilson Yard Development Project Area Redevelopment Agreement to be executed on or as of the day and year first above written.

CITY: CITY OF CHICAGO, acting by and through its Department of Planning and Development

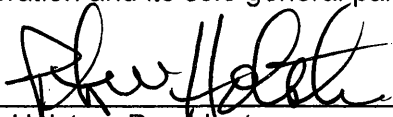
By: \_\_\_\_\_  
Arnold Randall, Commissioner

MASTER DEVELOPER: WILSON YARD DEVELOPMENT I, LLC, an Illinois limited liability company

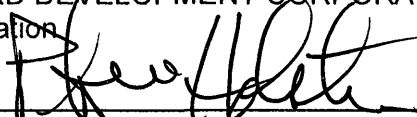
By:  \_\_\_\_\_  
Peter Holsten, its managing member

LIHTC DEVELOPER: WILSON YARD PARTNERS, L.P., an Illinois limited partnership

By: Wilson Yard Development Corporation, an Illinois corporation and its sole general partner

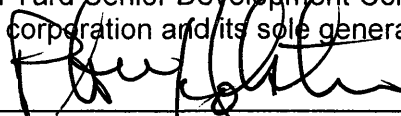
By:  \_\_\_\_\_  
Peter Holsten, President

LIHTC GENERAL PARTNER: WILSON YARD DEVELOPMENT CORPORATION, an Illinois corporation

By:  \_\_\_\_\_  
Peter Holsten, President

SENIOR DEVELOPER: WILSON YARD SENIOR HOUSING, L.P., an Illinois limited partnership

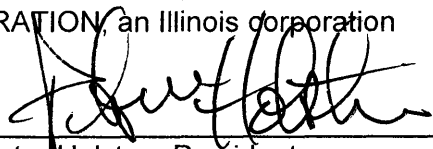
By: Wilson Yard Senior Development Corporation, an Illinois corporation and its sole general partner

By:  \_\_\_\_\_  
Peter Holsten, President

SENIOR DEVELOPER  
GENERAL PARTNER:

WILSON YARD SENIOR DEVELOPMENT  
CORPORATION, an Illinois corporation

By:

  
\_\_\_\_\_  
Peter Holsten, President

STATE OF ILLINOIS )  
                                  ) SS  
COUNTY OF COOK    )

I, Bridget A. White, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Peter Holsten, personally known to me to be the managing member of Wilson Yard Development I, LLC, an Illinois limited liability company (the "Master Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the members of the Master Developer, as his free and voluntary act and as the free and voluntary act of the Master Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 1<sup>st</sup> day of October, 2008.

Bridget A. White  
Notary Public

My Commission Expires \_\_\_\_\_

(SEAL)



STATE OF ILLINOIS )  
                                      ) SS  
COUNTY OF COOK     )

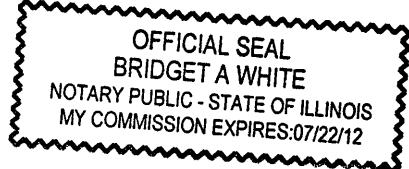
I, Bridget A. White, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Peter Holsten, personally known to me to be the president of Wilson Yard Development Corp., an Illinois corporation (the "LIHTC General Partner") and sole general partner of Wilson Yard Partners, L.P., an Illinois limited partnership (the "LIHTC Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the shareholders of the LIHTC General Partner, and the partners of the LIHTC Developer as his free and voluntary act and as the free and voluntary act of the LIHTC General Partner and the LIHTC Developer, for the uses and purposes therein set forth.

2008.   GIVEN under my hand and official seal this 1<sup>st</sup> day of October.

Bridget A. White  
Notary Public

My Commission Expires \_\_\_\_\_

(SEAL)



STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

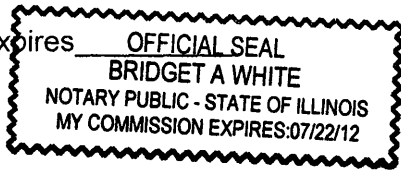
I, Bridget A. White, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Peter Holsten, personally known to me to be the president of Wilson Yard Senior Development Corporation, an Illinois corporation (the "Senior Developer General Partner") and sole general partner of Wilson Yard Senior Housing, L.P., an Illinois limited partnership (the "Senior Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the shareholders of the Senior Developer General Partner, and the partners of the Senior Developer as his free and voluntary act and as the free and voluntary act of the Senior Developer General Partner and the Senior Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 1<sup>st</sup> day of October, 2008.

Bridget A. White  
Notary Public

(SEAL)

My Commission Expires



STATE OF ILLINOIS )  
                                  )  
COUNTY OF COOK    )

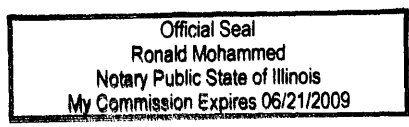
I, Ronald Mohammed, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Arnold Randall, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that s/he signed, sealed, and delivered said instrument pursuant to the authority given to her/him by the City, as her/his 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 1<sup>st</sup> day of October, 2008.

*Ronald Mohammed*  
\_\_\_\_\_  
Notary Public

My Commission Expires: 6-21-09

(SEAL)



## LIST OF EXHIBITS

Exhibit B Second Revised TIF Improvements  
Exhibit E-1 Second Revised City Note #1  
Exhibit E-2 Second Revised City Note #2  
Exhibit E-3 Second Revised City Note #3  
Exhibit E-4 Second Revised City Note #4  
Exhibit E-5 Second Revised City Note #5  
Exhibit J-1 Second Revised Phase I Project Budget  
Exhibit J-2 Second Revised Phase II Project Budget  
Exhibit J-3 Second Revised Phase III Project Budget  
Exhibit K-1 Revised Phase I M/WBE Project Budget  
Exhibit K-2 Revised Phase II M/WBE Project Budget  
Exhibit K-3 Revised Phase III M/WBE Project Budget



**EXHIBIT B  
SECOND REVISED  
WILSON YARD  
TIF - FUNDED IMPROVEMENTS**

<u>CATEGORY</u>	<u>AMOUNT</u>
Land\Acquisition	13,585,306
Remediation - Walsh	3,199,138
Remediation - LFR (hazardous)	530,000
Demo of Existing Buildings (above grade)	120,000
Demo of Existing Buildings (below grade)	-
<b>ALDI COSTS</b>	
Public Alley & Sunnyside Extension (Charter Construction)	210,607
Public utilities (water, sewer, hydrant)	338,419
Engineered Barrier - Charter	127,782
Remediation - Pepper	136,609
Remediation - Charter	398,582
Public Alley & Sunnyside Extension (Walsh Construction)	-
Site Prep Work-Walsh	5,504,351
Eligible Legal	450,000
Senior Bldg Construction	11,972,609
Family Bldg Construction	13,037,048
Sr Bldg- Architect & Engineers	360,392
Fam Bldg- Architect & Engineers	519,223
Interest Predevelopment Loan	894,116
Interest on Retail Loan	1,500,000
Job Training	500,000
	-
<b>TOTALS</b>	<b>53,384,182</b>

**EXHIBIT E-1 SECOND REVISED**

**CITY NOTE #1**

REGISTERED

MAXIMUM  
AMOUNT

NO. R-1

\$14,881,508

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO**

**TAX INCREMENT ALLOCATION REVENUE NOTE (WILSON YARD  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner:

Wilson Yard Development I, LLC, an Illinois  
limited liability company

Interest Rate:

a floating rate equal to the rate announced by  
Bridgeview Bank Group from time to time as its  
prime or base rate plus one-half of one percent  
(0.50%); then

\_\_\_\_\_ % per annum upon the closing of  
construction financing secured by this Note  
("Initial Interest Rate") [which shall not exceed  
the prime interest rate as reported in the Wall  
Street Journal on the date one week prior to  
such closing plus 345 basis points]; then

\_\_\_\_\_ % per annum commencing on the date  
of issuance of the last to issue of the Phase I  
Certificate, the Phase II Certificate and the  
Phase III Certificate (as defined in the  
hereinafter defined Redevelopment  
Agreement) [the Initial Interest Rate less 43  
basis points]; then

the interest rate on this Note shall be reset as  
of the fifth anniversary of the Closing of the  
Construction Loan (as defined in the  
hereinafter defined Pledge Agreement), and  
every rate reset date thereafter to be that rate  
of interest per annum, which shall not exceed  
the Initial Interest Rate plus 257 basis points,  
necessary to pay interest on the Construction  
Loan (as defined in the hereinafter defined

Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

**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 \$14,881,508 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of November 30, 2005, and first amended as of June 1, 2007, and second amended as of \_\_\_\_\_, 2008 between, *inter alia*, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of November 30, 2005 among, *inter alia*, the City, the Registered Owner and the Registered Owner's construction lender (as it may be amended from time to time, the "Pledge Agreement").

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due May 1 of each year commencing in the first year

following the issuance of the Phase I Certificate (but interest shall be paid on May 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on May 1 of each year commencing May 1, 2013, in accordance with the schedule attached hereto, provided, however, that if the total amount of certified advances is less than the maximum authorized amount of this Note, a revised principal payment schedule shall be calculated and attached hereto in replacement of the initial schedule. Such revised schedule shall be calculated to amortize the Principal of this Note over the same period of time and assuming as nearly as practicable the annual escalation in debt service payments included in the initial schedule. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on

the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$14,881,508 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Master Developer in connection with the Phase I Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard 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 June 27, 2001 (the "Ordinance"), in all respects as by law required.

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

**CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date on or after 1090 days following the date of closing of the Construction Loan (as defined in the Pledge Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase I Improvements 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 an amount not to exceed \$14,881,508 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

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**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, 2008.

Mayor

(SEAL)  
Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

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

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

Comptroller  
Date:

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(\_\_\_\_\_, 2\_\_\_\_)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$\_\_\_\_\_ Tax Increment Allocation Revenue Note  
(Wilson Yard Redevelopment Project, Taxable Series A)  
(the "City Note #1")

This Certification is submitted to you, Registered Owner of the City Note #, pursuant to the Ordinance of the City authorizing the execution of the City Note #1 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$\_\_\_\_\_ is advanced as principal under the City Note #1 as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note #1 is \$\_\_\_\_\_, including the amount of this Certificate and less payment made on the City Note #1.

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

**EXHIBIT E-2 SECOND REVISED**

**CITY NOTE #2**

REGISTERED

MAXIMUM

NO. R-2

AMOUNT

\$13,640,466

**UNITED STATES OF AMERICA**

**STATE OF ILLINOIS**

**COUNTY OF COOK**

**CITY OF CHICAGO**

**TAX INCREMENT ALLOCATION REVENUE NOTE (WILSON YARD  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner:

Wilson Yard Development Corporation, an  
Illinois corporation

Interest Rate:

a floating rate equal to the rate announced by  
Bridgeview Bank Group from time to time as its  
prime or base rate plus one-half of one percent  
(0.50%); then

\_\_\_\_\_ % per annum upon the closing of  
construction financing secured by this Note  
("Initial Interest Rate") [which shall not exceed  
the prime interest rate as reported in the Wall  
Street Journal on the date one week prior to  
such closing plus 345 basis points]; then

\_\_\_\_\_ % per annum commencing on the date  
of issuance of the last to issue of the Phase I  
Certificate, the Phase II Certificate and the  
Phase III Certificate (as defined in the  
hereinafter defined Redevelopment  
Agreement) [the Initial Interest Rate less 43  
basis points]; then

the interest rate on this Note shall be reset as  
of the fifth anniversary of the Closing of the  
Construction Loan (as defined in the  
hereinafter defined Pledge Agreement), and  
every rate reset date thereafter to be that rate  
of interest per annum, which shall not exceed  
the Initial Interest Rate plus 257 basis points,  
necessary to pay interest on the Construction  
Loan (as defined in the hereinafter defined

Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

**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 \$13,640,466 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of November 30, 2005 and first amended as of June 1, 2007, and second amended as of \_\_\_\_\_, 2008 between, *inter alia*, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of November 30, 2005 among, *inter alia*, the City, the Registered Owner and the Registered Owner's construction lender (as amended from time to time, the "Pledge Agreement").

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due May 1 of each year commencing in the first year

following the issuance of the Phase II Certificate (but interest shall be paid on May 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on May 1 of each year commencing May 1, 2013, in accordance with the schedule attached hereto, provided, however, that if the total amount of certified advances is less than the maximum authorized amount of this Note, a revised principal payment schedule shall be calculated and attached hereto in replacement of the initial schedule. Such revised schedule shall be calculated to amortize the Principal of this Note over the same period of time and assuming as nearly as practicable the annual escalation in debt service payments included in the initial schedule. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on

the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$13,640,466 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase II Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard 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 June 27, 2001 (the "Ordinance"), in all respects as by law required.

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



**CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date on or after 1090 days following the date of closing of the Construction Loan (as defined in the Pledge Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase II Improvements 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 an amount not to exceed \$13,640,466 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, 2008.

Mayor

(SEAL)  
Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

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

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

Comptroller  
Date:

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT      PRINCIPAL PAYMENT    PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(\_\_\_\_\_, 2\_\_\_\_)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$ \_\_\_\_\_ Tax Increment Allocation Revenue Note  
(Wilson Yard Redevelopment Project, Taxable Series A)  
(the "City Note #2")

This Certification is submitted to you, Registered Owner of the City Note #2, pursuant to the Ordinance of the City authorizing the execution of the City Note #2 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$ \_\_\_\_\_ is advanced as principal under the City Note #2 as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note #2 is \$ \_\_\_\_\_, including the amount of this Certificate and less payment made on the City Note #2.

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

**EXHIBIT E-3 SECOND REVISED**

**CITY NOTE #3**

REGISTERED

MAXIMUM  
AMOUNT  
\$0

NO. R-3

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE (WILSON YARD  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner:

Wilson Yard Development Corporation, an  
Illinois corporation

Interest Rate:

a floating rate equal to the rate announced by  
Bridgeview Bank Group from time to time as its  
prime or base rate plus one-half of one percent  
(0.50%); then

\_\_\_\_\_ % per annum upon the closing of  
construction financing secured by this Note  
("Initial Interest Rate") [which shall not exceed  
the prime interest rate as reported in the Wall  
Street Journal on the date one week prior to  
such closing plus 345 basis points]; then

\_\_\_\_\_ % per annum commencing on the date  
of issuance of the last to issue of the Phase I  
Certificate, the Phase II Certificate and the  
Phase III Certificate (as defined in the  
hereinafter defined Redevelopment  
Agreement) [the Initial Interest Rate less 43  
basis points]; then

the interest rate on this Note shall be reset as  
of the fifth anniversary of the Closing of the  
Construction Loan (as defined in the  
hereinafter defined Pledge Agreement), and  
every rate reset date thereafter to be that rate  
of interest per annum, which shall not exceed  
the Initial Interest Rate plus 257 basis points,  
necessary to pay interest on the Construction  
Loan (as defined in the hereinafter defined



Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

**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 \$0 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of November 30, 2005 and first amended as of June 1, 2007, and second amended as of \_\_\_\_\_, 2008 between, *inter alia*, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of November 30, 2005 among, *inter alia*, the City, the Registered Owner and the Registered Owner's construction lender (as amended from time to time, the "Pledge Agreement").

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due May 1 of each year commencing in the first year

following the issuance of the Phase II Certificate (but interest shall be paid on May 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on May 1 of each year commencing May 1, 2013, in accordance with the schedule attached hereto, provided, however, that if the total amount of certified advances is less than the maximum authorized amount of this Note, a revised principal payment schedule shall be calculated and attached hereto in replacement of the initial schedule. Such revised schedule shall be calculated to amortize the Principal of this Note over the same period of time and assuming as nearly as practicable the annual escalation in debt service payments included in the initial schedule. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on

the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$0 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase II Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard 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 June 27, 2001 (the "Ordinance"), in all respects as by law required.

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

**CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date on or after 1090 days following the date of closing of the Construction Loan (as defined in the Pledge Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase II Improvements 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 an amount not to exceed \$0 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, 2008.

Mayor

(SEAL)  
Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

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

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

Comptroller  
Date:

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT      PRINCIPAL PAYMENT    PRINCIPAL BALANCE DUE



(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(\_\_\_\_\_, 2\_\_\_\_)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$\_\_\_\_\_ Tax Increment Allocation Revenue Note  
(Wilson Yard Redevelopment Project, Taxable Series A)  
(the "City Note #3")

This Certification is submitted to you, Registered Owner of the City Note #3, pursuant to the Ordinance of the City authorizing the execution of the City Note #3 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

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

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

**EXHIBIT E-4 SECOND REVISED**

**CITY NOTE #4**

REGISTERED

MAXIMUM  
AMOUNT

NO. R-4

\$11,649,225

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO**

**TAX INCREMENT ALLOCATION REVENUE NOTE (WILSON YARD  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner: Wilson Yard Senior Development Corporation,  
an Illinois corporation

Interest Rate: a floating rate equal to the rate announced by  
Bridgeview Bank Group from time to time as its  
prime or base rate plus one-half of one percent  
(0.50%); then

\_\_\_\_\_ % per annum upon the closing of  
construction financing secured by this Note  
("Initial Interest Rate") [which shall not exceed  
the prime interest rate as reported in the Wall  
Street Journal on the date one week prior to  
such closing plus 345 basis points]; then

\_\_\_\_\_ % per annum commencing on the date  
of issuance of the last to issue of the Phase I  
Certificate, the Phase II Certificate and the  
Phase III Certificate (as defined in the  
hereinafter defined Redevelopment  
Agreement) [the Initial Interest Rate less 43  
basis points]; then

the interest rate on this Note shall be reset as  
of the fifth anniversary of the Closing of the  
Construction Loan (as defined in the  
hereinafter defined Pledge Agreement), and  
every rate reset date thereafter to be that rate  
of interest per annum, which shall not exceed  
the Initial Interest Rate plus 257 basis points,  
necessary to pay interest on the Construction  
Loan (as defined in the hereinafter defined

Pledge Agreement) assuming placement of the Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

**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 \$11,649,225 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of November 30, 2005 and first amended as of June 1, 2007, and second amended as of \_\_\_\_\_, 2008 between, *inter alia*, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of November 30, 2005 among, *inter alia*, the City, the Registered Owner and the Registered Owner's construction lender (as amended from time to time, the "Pledge Agreement").

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due May 1 of each year commencing in the first year

following the issuance of the Phase III Certificate (but interest shall be paid on May 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on May 1 of each year commencing May 1, 2013, in accordance with the schedule attached hereto, provided, however, that if the total amount of certified advances is less than the maximum authorized amount of this Note, a revised principal payment schedule shall be calculated and attached hereto in replacement of the initial schedule. Such revised schedule shall be calculated to amortize the Principal of this Note over the same period of time and assuming as nearly as practicable the annual escalation in debt service payments included in the initial schedule. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on

the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$11,649,225 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase III Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard 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 June 27, 2001 (the "Ordinance"), in all respects as by law required.

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

**CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date on or after 1090 days following the date of closing of the Construction Loan (as defined in the Pledge Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase III Improvements 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 an amount not to exceed \$11,649,225 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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



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

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**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, 2008.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

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

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

Comptroller

Date:

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(\_\_\_\_\_, 2\_\_)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$\_\_\_\_\_ Tax Increment Allocation Revenue Note  
(Wilson Yard Redevelopment Project, Taxable Series A)  
(the "City Note #4")

This Certification is submitted to you, Registered Owner of the City Note #4, pursuant to the Ordinance of the City authorizing the execution of the City Note #4 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$\_\_\_\_\_ is advanced as principal under the City Note #4 as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note #4 is \$\_\_\_\_\_, including the amount of this Certificate and less payment made on the City Note #4.

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

**EXHIBIT E-5 SECOND REVISED**

**CITY NOTE #5**

REGISTERED

MAXIMUM

NO. R-5

AMOUNT

\$0

**UNITED STATES OF AMERICA**

**STATE OF ILLINOIS**

**COUNTY OF COOK**

**CITY OF CHICAGO**

**TAX INCREMENT ALLOCATION REVENUE NOTE (WILSON YARD  
REDEVELOPMENT PROJECT), TAXABLE SERIES A**

Registered Owner:

Wilson Yard Senior Development Corporation,  
an Illinois corporation

Interest Rate:

a floating rate equal to the rate announced by  
Bridgeview Bank Group from time to time as its  
prime or base rate plus one-half of one percent  
(0.50%); then; then

\_\_\_\_\_ % per annum upon the closing of  
construction financing secured by this Note  
("Initial Interest Rate") [which shall not exceed  
the prime interest rate as reported in the Wall  
Street Journal on the date one week prior to  
such closing plus 345 basis points]; then

\_\_\_\_\_ % per annum commencing on the date  
of issuance of the last to issue of the Phase I  
Certificate, the Phase II Certificate and the  
Phase III Certificate (as defined in the  
hereinafter defined Redevelopment  
Agreement) [the Initial Interest Rate less 43  
basis points]; then

the interest rate on this Note shall be reset as  
of the fifth anniversary of the Closing of the  
Construction Loan (as defined in the  
hereinafter defined Pledge Agreement), and  
every rate reset date thereafter to be that rate  
of interest per annum, which shall not exceed  
the Initial Interest Rate plus 257 basis points,  
necessary to pay interest on the Construction  
Loan (as defined in the hereinafter defined  
Pledge Agreement) assuming placement of the

Construction Loan at the minimum interest rate necessary for placement at par for the longest term not to exceed five years; the date which is the last day of such term shall be the next rate reset date.

Maturity Date: June 30, 2025

**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 \$0 and to pay the Registered Owner interest on that amount at the Interest Rate per year specified above from the date of issuance.

This Note is one of a series of notes issued or to be issued in accordance with that certain Redevelopment Agreement dated as of November 30, 2005 and first amended as of June 1, 2007, and second amended as of \_\_\_\_\_, 2008 between, *inter alia*, the City and the Registered Owner (the "Redevelopment Agreement"), and this Note shall be paid *pari passu* with the other City Notes (as defined in the Redevelopment Agreement). This Note is also the subject of a Pledge Agreement dated as of November 30, 2005 among, *inter alia*, the City, the Registered Owner and the Registered Owner's construction lender (as amended from time to time the "Pledge Agreement").

Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest is due May 1 of each year commencing in the first year

following the issuance of the Phase III Certificate (but interest shall be paid on May 1 of each year prior to that time and used in accordance with the Pledge Agreement) until the earlier of Maturity or until this note is paid in full. Accrued but unpaid interest on this Note shall also accrue at the interest rate per year until paid.

Principal of this Note shall be payable until the earlier of Maturity or until this Note is paid in full in installments on May 1 of each year commencing May 1, 2013, in accordance with the schedule attached hereto, provided, however, that if the total amount of certified advances is less than the maximum authorized amount of this Note, a revised principal payment schedule shall be calculated and attached hereto in replacement of the initial schedule. Such revised schedule shall be calculated to amortize the Principal of this Note over the same period of time and assuming as nearly as practicable the annual escalation in debt service payments included in the initial schedule. Payments shall first be applied to interest. The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Comptroller of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City. The Registered Owner of this Note shall note on



the Payment Record attached hereto the amount and the date of any payment of the principal of this Note promptly upon receipt of such payment.

This Note is issued by the City in the principal amount of advances made from time to time by the Registered Owner up to \$0 for the purpose of paying the costs of certain eligible redevelopment project costs incurred by Registered Owner in connection with the Phase III Improvements of the Project (as such terms are defined in the Redevelopment Agreement) located in the Wilson Yard 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 June 27, 2001 (the "Ordinance"), in all respects as by law required.

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

**CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OR INTEREST OF THIS NOTE.** The principal of this Note is subject to redemption on any date on or after 1090 days following the date of closing of the Construction Loan (as defined in the Pledge Agreement), as a whole or in part, at a redemption price of 100% of the principal amount thereof being redeemed. There shall be no prepayment penalty. Notice of any such redemption shall be sent by registered or certified mail not less than five (5) days nor more than sixty (60) days prior to the date fixed for redemption to the Registered Owner of this Note at the address shown on the registration books of the City maintained by the Registrar or at such other address as is furnished in writing by such Registered Owner to the Registrar.

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

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

during a period of five (5) days next preceding mailing of a notice of redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

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

Pursuant to the Redevelopment Agreement, the Registered Owner has agreed to acquire and construct the Phase III Improvements 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 an amount not to exceed \$0 shall be deemed to be a disbursement of the proceeds of this Note.

Pursuant to Section 15.01 and Section 15.02 of the Redevelopment Agreement, the City has reserved the right to suspend and/or terminate payments of principal and of interest on this Note upon the occurrence of certain conditions. Such rights shall survive any transfer of this Note. The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

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

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

(THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK)

**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized signature of the Mayor and attested by the duly authorized signature of the City Clerk of the City, all as of \_\_\_\_\_, 2008.

Mayor

(SEAL)

Attest:

City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

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

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

Comptroller

Date:

**PRINCIPAL PAYMENT RECORD**

DATE OF PAYMENT

PRINCIPAL PAYMENT

PRINCIPAL BALANCE DUE

(ASSIGNMENT)

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

Dated:

Registered Owner

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

Signature Guaranteed:

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

Consented to by:

CITY OF CHICAGO  
DEPARTMENT OF PLANNING AND DEVELOPMENT

BY:

ITS:

CERTIFICATION OF EXPENDITURE

(\_\_\_\_\_, 2\_\_\_)

To: Registered Owner

Re: City of Chicago, Cook County, Illinois (the "City")  
\$\_\_\_\_\_ Tax Increment Allocation Revenue Note  
(Wilson Yard Redevelopment Project, Taxable Series A)  
(the "City Note #5")

This Certification is submitted to you, Registered Owner of the City Note #5, pursuant to the Ordinance of the City authorizing the execution of the City Note #5 adopted by the City Council of the City on September 14, 2005 (the "Ordinance"). All terms used herein shall have the same meaning as when used in the Ordinance.

The City hereby certifies that \$\_\_\_\_\_ is advanced as principal under the City Note #5 as of the date hereof. Such amount has been properly incurred, is a proper charge made or to be made in connection with the redevelopment project costs defined in the Ordinance and has not been the basis of any previous principal advance. As of the date hereof, the outstanding principal balance under the City Note #5 is \$\_\_\_\_\_, including the amount of this Certificate and less payment made on the City Note #5.

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



EXHIBIT J-1  
SECOND REVISED  
PROJECT BUDGET-PHASE I

	TOTAL MASTER DEVELOPER	ALDI	Master Developer-Other Costs	Retail & Surface Parking
<b>ACQUISITION :</b>				
Land	\$ 8,085,306		\$ 8,085,306	
<b>TOTAL ACQUISITION COSTS:</b>	\$ 8,085,306	\$ -	\$ 8,085,306	\$ -
<b>HARD COSTS:</b>				
Construction	\$ 4,544,730	\$ 2,685,896		\$ 1,858,834
Construction Parking	\$ -	\$ -		\$ -
Common Share	\$ -			\$ -
Tenant Improvements	\$ 720,000	\$ -		\$ 720,000
Site Fencing	\$ 3,363		\$ -	\$ 3,363
Demolition	\$ 137,888	\$ -	\$ 119,000	\$ 18,888
Infrastructure	\$ 1,364,500	\$ 1,364,500		\$ -
Remediation	\$ 1,026,994		\$ 1,026,994	
Site Work	\$ 8,035,347		\$ 8,035,347	\$ -
Private Utilities	\$ 326,230	\$ 84,740	\$ 199,495	\$ 71,995
Contingency	\$ 750,000			\$ 750,000
<b>TOTAL HARD COSTS:</b>	\$ 14,908,801	\$ 4,105,216	\$ 7,380,808	\$ 3,422,879
<b>SOFT COSTS:</b>				
<b>Professional Services:</b>				
Architect Design	\$ 882,477	\$ 74,545	\$ 551,102	\$ 256,830
Architect Reimbursable	\$ 24,483		\$ 16,700	\$ 7,783
Architect Supervision	\$ 11,305		\$ -	\$ 11,305
Landscape Architect	\$ 9,793	\$ -	\$ 6,680	\$ 3,113
Inspecting Architect	\$ 18,888		\$ -	\$ 18,888
Structural, Mep & Sound Engineer	\$ 440,889	\$ -	\$ 300,600	\$ 140,289
Civil & Acoustic Engineer	\$ 63,655	\$ -	\$ 43,420	\$ 20,235
LEED Soft Costs	\$ 63,655	\$ -	\$ 43,420	\$ 20,235
Legal - Zoning, TIF, vertical Subdivision	\$ 172,710	\$ 28,980	\$ 105,615	\$ 38,115
Legal- Other	\$ 287,860	\$ 48,300	\$ 176,025	\$ 63,525
Accounting	\$ 60,000	\$ -	\$ 50,000	\$ -
Appraisal	\$ 13,434	\$ 2,254	\$ 8,215	\$ 2,965
Environmental reports) Testing	\$ 300,000	\$ -	\$ 200,000	\$ -
Market Study	\$ 14,690		\$ 10,020	\$ 4,670
Application	\$ 5,140	\$ 1,030	\$ 3,756	\$ 1,355
Permits & Permit Expediting	\$ 10,000	\$ 10,000	\$ -	\$ -
Survey	\$ 67,570	\$ 3,600	\$ 35,205	\$ 12,765
TIF & Traffic Consultant	\$ 46,058	\$ 7,728	\$ 28,184	\$ 10,164
Parking Consultant	\$ 15,000		\$ -	\$ 15,000
Job Training	\$ 500,000		\$ 500,000	\$ -
Land Lease CTA	\$ 122,772			\$ 122,772
Brokerage Fee	\$ 500,000		\$ -	\$ 500,000
Marketing, Advertising	\$ 25,000			\$ 25,000
Permanent Loan Fee	\$ 40,000			\$ 40,000
Pre-construction interest & fees	\$ 3,800,000	\$ -	\$ 2,948,115	
TIF loan issuance Costs	\$ 522,928	\$ 87,745	\$ 319,779	\$ 115,404
Construction Period Interest	\$ 250,000	\$ -	\$ 0.00	\$ 250,000
Construction Period Taxes	\$ 46,715	\$ -	\$ 0.00	\$ 46,715
Construction Period Insurance	\$ 69,445	\$ 48,445	\$ 0.00	\$ 10,000
Title & Recording	\$ 57,570	\$ 8,660	\$ 35,205	\$ 12,705
Soft Cost Contingency	\$ 45,000			\$ 45,000
Developer Overhead	\$ 650,000	\$ 650,000	\$ -	\$ -
Developer Profit	\$ -			\$ -
Construction Period Carry Costs	\$ 227,889		\$ 155,310	\$ 72,579
Damage Reserve	\$ -			\$ -
TIF Reserve	\$ 100,000			\$ 100,000
Misc Costs	\$ 1,385,200		\$ 123,829	\$ 1,256,371
Misc Ahd Costs	\$ 512,302	\$ 512,302	\$ -	
<b>TOTAL SOFT COSTS</b>	\$ 10,481,929	\$ 1,491,649	\$ 5,787,159	\$ 3,223,121
<b>USES OF FUNDS: TOTAL</b>	\$ 31,476,136	\$ 5,596,865	\$ 19,233,271	\$ 6,646,000

<b>SOURCES</b>	
TIF CASH	10,394,116
TIF NOTES-Dougherty	8,905,467
TIF PAY AS YOU GO	600,000
TIF PAY AS YOU GO	1,500,000
Retail Loan	5,146,000
Property Rights Sale- Aldi	1,875,000
Aldi Construction Contribution	1,325,000
CTA Share remediation	750,000
Menu Funds offset	750,000
Acquisition Housing	2,330,563
<b>TOTAL</b>	<b>31,476,136</b>

EXHIBIT J-1  
SECOND REVISED  
PROJECT BUDGET PHASE I

DEVELOPMENT BUDGET	Target
<b>ACQUISITION :</b>	
Land	\$ 7,500,000
<b>TOTAL ACQUISITION COSTS:</b>	<b>\$ 7,500,000</b>
<b>HARD COSTS:</b>	
Construction	\$ 35,500,000
Construction Parking	\$ -
Common Share	\$ -
Tenant Improvements	
Site Fencing	\$ 10,313
Landscaping	\$ 107,297
Infrastructure	\$ -
Remediation	\$ -
Private Utilities	\$ 260,985
Contingency	\$ 1,270,211
<b>TOTAL HARD COSTS:</b>	<b>\$ 37,169,808</b>
<b>SOFT COSTS:</b>	
<b>Professional Services:</b>	
Architect Design	\$ 1,520,741
Architect Reimbursables	\$ 44,889
Architect Supervision	\$ 64,915
Landscape Architect	\$ 17,876
Inspecting Architect	\$ 107,297
Structural, Mep & Sound Engineer	\$ 604,404
Civil & Acoustic Engineer	\$ 116,192
LEED Soft Costs	\$ 116,192
Legal - Zoning, TIF, vertical Subdivision	\$ 141,345
Legal- Other	\$ 235,575
Accounting	\$ -
Appraisal	\$ 10,984
Environmental reports/ Testing	\$ -
Market Study	\$ 26,813
Application	\$ 5,020
Permits & Permit Expediting	\$ 260,000
Survey	\$ 47,115
TIF & Traffic Consultant	\$ 37,892
Consulting & CC Fee	\$ 25,000
Consulting Leasing Sales	\$ 250,000
Job Training	\$ -
Brokerage Fee	\$ 250,000
Pre- construction interest & fees	
TIF loan issuance Costs	\$ 427,961
Construction Period Interest	
Construction Period Taxes	\$ 288,242
Construction Period Insurance	\$ 320,000
Title & Recording	\$ 47,115
Soft Cost Contingency	\$ 136,000
Developer Overhead	\$ -
Developer Profit	\$ -
Construction Period Carry Costs	\$ 415,608
<b>TOTAL SOFT COSTS</b>	<b>\$ 5,895,792</b>
<b>USES OF FUNDS: TOTAL</b>	<b>\$ 50,365,598</b>

SOURCES	
Dougherty Loan against TIF	\$ 7,365,598
Property Rights Sale	\$ 7,500,000
Target Construction Contribution	\$ 33,000,000
New market Tax Credits	\$ 2,500,000
<b>TOTAL SOURCES</b>	<b>\$ 50,365,598</b>

**EXHIBIT J-2-  
SECOND REVISED  
PROJECT BUDGET  
PHASE II**

Development Budget	Wilson Yard Family
<b>ACQUISITION :</b>	
Land	\$ 1,341,839
<b>TOTAL ACQUISITION COSTS:</b>	\$ 1,341,839
<b>HARD COSTS:</b>	
Construction Residential	\$ 24,874,864
Construction Parking	\$ -
Common Share	\$ -
Landscaping	\$ 43,096
Landscaping- Playground	\$ 100,000
Site fencing	\$ 7,767
Infrastructure	
Remediation	
Private UTILITIES	\$ 159,035
Contingency	\$ 889,653
<b>TOTAL HARD COSTS:</b>	\$ 26,074,095
<b>SOFT COSTS:</b>	
<b>Professional Services:</b>	
Architect Design	\$ 892,336
Architect Reimbursables	\$ 17,850
Architect Supervision	\$ 26,073
Landscape Architect	\$ 7,180
Inspecting Architect	\$ 43,096
Structural, MEP & Sound Engineer	\$ 323,092
Civil & Acoustic Engineer	\$ 48,869
LEED Soft Costs	\$ 46,669
Legal - Zoning, TIF, vertical Subdivision	\$ 84,195
Legal- Other	\$ 140,325
Legal-Partnership	\$ 75,000
Legal-Tax Credit & Bond Council	\$ 174,674
Accounting	\$ 87,337
Appraisal	\$ 18,193
Environmental reports\ Testing	\$ -
Market Study	\$ 10,770
Application	\$ 2,994
Permits & Permit Expediting	\$ -
Survey	\$ 28,085
TIF & Traffic Consultant	\$ 22,462
Job Training	\$ -
Marketing, Advertising, PR	\$ 180,000
Model Unit & Leasing Office	\$ 30,000
Tax Credit Fees	\$ 316,200
Lenders Fees-	\$ 130,000
Pre- construction interest & fees	
TIF loan issuance Costs	\$ 254,924
Construction Period Interest	\$ 1,500,000
Construction Period Taxes	\$ 187,741
Construction Period Insurance	\$ 100,000
Title & Recording	\$ 28,068
Lease Up Reserve	\$ 150,000
Insurance & Tax Escrow	\$ 70,000
Construction Period Carry Costs	\$ 166,931
Operating Reserve & Replacement Reserve	\$ 361,600
Developer Fee	\$ 2,132,918
<b>TOTAL SOFT COSTS</b>	\$ 7,356,449
<b>USES OF FUNDS: TOTAL</b>	\$ 34,772,383

SOURCES	
IHDA Trust Fund	\$ 2,750,000
Dougherty -TIF	\$ 14,250,918
FHLB	\$ 600,000
LIHTC	\$ 17,171,464
<b>Total Sources</b>	\$ 34,772,382

**EXHIBIT J-3  
SECOND REVISED  
PROJECT BUDGET  
PHASE III**

<b>DEVELOPMENT PROJECT</b>		<b>WILSON YARD SENIOR</b>
<b>ACQUISITION :</b>		
Land	\$	988,724
<b>TOTAL ACQUISITION COSTS:</b>	\$	988,724
<b>HARD COSTS:</b>		
Construction Residential	\$	22,857,516
Construction Commercial	\$	476,000
Common Share	\$	-
Tenant Improvement	\$	47,505
Landscaping	\$	30,321
Site Fencing	\$	6,668
Infrastructure		
Remediation		
Private Utilities	\$	97,750
Contingency	\$	984,054
<b>TOTAL HARD COSTS:</b>	\$	24,588,312
<b>SOFT COSTS:</b>		
<b>Professional Services:</b>		
Architect Design	\$	424,882
Architect Reimbursables	\$	12,879
Architect Supervision	\$	18,707
Landscape Architect	\$	6,181
Inspecting Architect	\$	30,321
Structural, Mep & Sound Engineer	\$	231,814
Civil & Acoustic Engineer	\$	33,484
LEED Soft Costs	\$	33,484
Legal - Zoning, TIF, vertical Subdivision	\$	81,760
Legal- Other	\$	86,250
Legal-Partnership	\$	76,000
Legal-Tax Credit	\$	126,328
Legal- Bond Council	\$	150,000
Accounting	\$	62,663
Appraisal	\$	12,380
Environmental reports/ Testing	\$	-
Market Study	\$	7,727
Application	\$	1,840
Permits & Permit Expediting	\$	-
Survey	\$	17,250
TIF & Traffic Consultant	\$	13,800
Job Training	\$	-
Marketing, Advertising , PR	\$	198,000
Model Unit & Leasing Office	\$	30,000
Lenders Fees- FHA	\$	150,000
Pre- construction interest & fees		
TIF loan issuance Costs	\$	156,888
Bond issuance Costs	\$	510,000
Construction Period Interest	\$	2,150,000
Construction Period Taxes	\$	77,302
Construction Period Insurance	\$	100,000
Title & Recording	\$	17,250
Lease Up Reserve	\$	300,000
Insurance & Tax Escrow	\$	70,000
Construction Period Carry Costs	\$	119,770
Operating Reserve & Replacement Reserve	\$	391,900
Developer Fee	\$	1,808,957
<b>TOTAL SOFT COSTS</b>	\$	7,472,396
<b>USES OF FUNDS: TOTAL</b>	\$	32,969,431

<b>SOURCES</b>	
First Mortgage	1,510,287
Dougherty- TIF Note	11,649,236
DOH Home	6,600,000
FHLB	600,000
LHTC	12,709,839
<b>TOTAL SOURCES</b>	<b>32,969,431</b>

**Wilson Yard - M/WBE Project Budget by Phase**

	<b>Total Budget Phases I, II, III</b>	<b>Target/Aldi Phase I</b>	<b>Family Phase II</b>	<b>Seniors Phase III</b>	
<i>Soft Costs</i>					
Architecture	1,672,934	1,204,513	234,211	234,211	
Engineer	885,800	628,918	168,302	88,580	
Legal	774,000	479,880	162,540	131,580	
Other soft costs	1,515,652	1,167,052	212,191	136,409	
Subtotal	4,848,386	3,480,363	777,244	590,779	
<i>Hard Costs</i>					
Infrastructure	4,666,816	3,579,315	701,868	385,633	
Demo	200,000	148,000	34,000	18,000	
Green roof/landscaping	-	-	-	-	Included in Infrastructure and Building Shell
Garage	-	-	-	-	
Building Shell	43,394,147	32,111,669	7,377,005	3,905,473	
Subtotal	48,260,963	35,838,983	8,112,873	4,309,107	
<b>TOTAL</b>	<b>\$ 53,109,349 *</b>	<b>\$ 39,319,346</b>	<b>\$ 8,890,117</b>	<b>\$ 4,899,886</b>	

\* MBE Requirement \$ 12,746,244  
WBE Requirement \$ 2,124,374

Exhibits K-1, K-2, and K-3 REVISED