

**RICHARD J. DALEY CENTER
PROPERTY MANAGEMENT AGREEMENT**

THIS PROPERTY MANAGEMENT AGREEMENT (the "Agreement") dated as of the 30th day of December, 1993, but actually executed on the date indicated hereinbelow, between the Public Building Commission of Chicago, an Illinois municipal corporation ("Owner"), and Miglin-Beitler Management Corporation, an Illinois corporation ("Company").

RECITALS

A. Owner is the owner of Richard J. Daley Center (including underground tunnels and concourse areas), commonly known as 66 West Washington Street, Chicago, Illinois 60602, and legally described on Exhibit "A" attached hereto (the "Property").

B. Company acknowledges that there are unique aspects of the Property which has a limited number of commercial tenants but is occupied primarily by various judicial and administrative offices of the City of Chicago, Illinois, County of Cook, Illinois, including but not limited to the Circuit Court of Cook County, Illinois.

C. Company represents to Owner that Company is qualified to render the management and operating services required for the Property, and based upon such representations, Owner wishes to engage the services of Company as managing agent for the Property.

D. Company agrees to (i) manage, maintain and operate the Property in a manner consistent with the best standards of operation for governmental/office/retail properties of similar quality in the Chicagoland area, and (ii) comply at all times with the provisions of this Agreement and the Owner's reasonable written requests and policy guidelines with respect to all matters relating to the management, operation and maintenance of the Property.

AGREEMENT

1. **INCORPORATION OF RECITALS.** The Recitals set forth hereinabove are hereby incorporated into this Agreement.

2. **APPOINTMENT OF COMPANY; TERM.**

2.1. **Term.** Owner hereby appoints Company and Company hereby accepts the appointment to manage and operate the Property for a term beginning on January 1, 1994, and continuing through December 31, 1996, and thereafter the term shall be extended for

monthly periods commencing on the first (1st) day of each calendar month and ending on the last day of each calendar month. On or before thirty (30) days prior to the expiration of the initial term or any extension period, either party may notify the other in writing that the notifying party elects to terminate this Agreement. This Agreement may also be terminated pursuant to subsection 2.2 below.

2.2. Termination.

Owner, at its sole option, shall have the right to terminate this Agreement upon fifteen (15) days prior written notice to Company upon the occurrence of any of the following events (except in case of the occurrence of any of the events described in subsections 2.2.(a) and 2.2.(d) in which event this Agreement shall automatically terminate without any prior notice):

(a) Company (i) files a voluntary petition in bankruptcy or insolvency, (ii) files any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief for itself under the present or any future applicable federal, state, or other statute of law regarding bankruptcy, insolvency or relief for debtors, or (iii) seeks, consents to, or acquiesces in the appointment of any trustee, receiver, conservator, or liquidation of itself or any substantial portion of its property;

(b) Subject to sub-section 2.2(c) below, Company is negligent or guilty of willful misconduct or fraud in the performance of its duties hereunder;

(c) Company is in default hereunder, which default is not cured within fifteen (15) days after receipt of written notice of such default from Owner; provided, however, that if such default cannot reasonably be cured with such 15-day period, and within such 15-day period Company commences and thereafter diligently proceeds to cure such default, the cure period for such default shall be extended for such period of time as is reasonably required to effect the cure of such default;

(d) Owner assigns or transfers all or substantially all of its interest in, or management obligations with respect to, the Property;

(e) Any license which is required as a condition to managing the Property is terminated or suspended; or

(f) Company's right to do business ceases, and such cessation may subject Owner to any loss or liability or adversely affect Company's ability to discharge its obligations in the manner required by this Agreement.

2.3. Obligations Upon Termination.

(a) Upon termination of this Agreement, Company shall, at Company's expense (unless expressly provided otherwise below):

(i) Deliver to Owner the originals of all books, permits, plans, records, leases, licenses, invoices, unpaid bills, materials, contracts and other documents pertaining to the Property and its operation, all keys, insurance policies, bills of sale or other documents evidencing title or rights of Owner, and any and all other records or documents pertaining to the Property, whether or not enumerated herein. Company further agrees to do all other things necessary to cause an orderly transition of the management of the Property without detriment to the rights of Owner or to the continued management of the Property;

(ii) Transfer and assign to Owner or its designee all assignable contracts and all personal property relating to or used in connection with the management, operation and maintenance of the Property, except personal property owned by Company, it being understood that all furniture and supplies in any office of the Property provided by Owner are the Property of Owner, and not Company;

(iii) Remove any or all signs Company may have placed on the Property indicating that it is the manager of the Property and repair any damage resulting therefrom;

(iv) Make itself reasonably available to consult with and advise Owner or its designee of all aspects of the management, operation and maintenance of the Property for a period of ninety (90) days immediately following the date of such termination; provided, however, that if Company in its reasonable judgment determines that the consultation or advisory services requested by Owner are overly demanding, Company shall have the right, to request Owner to pay the reasonable charges and out-of-pocket expenses incurred by Company in connection with the provision of such services;

(v) Render to Owner a final accounting in form and substance acceptable to Owner, cause to be paid to Owner or its designee all funds of Owner held by Company and deliver to Owner a statement of management fees and expenses claimed to be due Company;

(vi) Vacate any office space provided to Company by Owner, and upon Owner's request, restore such space to the condition existing at the time it was first provided to Company, reasonable wear and tear and alterations thereto approved by Owner excepted; and

(vii) Deliver as received any money due Owner received by Company after such termination.

(b) Upon termination of this Agreement, Owner shall pay to Company all fees, prorated for any partial month, and reimbursables due Company through the termination date, and a Construction Supervision Fee, as defined herein, for the amount of any work in place supervised by Company and for which payment has not yet been made and with respect to which a fee would be due Company in accordance with subsection 6.2.(c)(ii) below if a progress payment was made on the termination date hereof.

3. DUTIES OF COMPANY. Subject to the conditions and limitations set forth herein, Company shall perform the following duties for and on behalf of Owner in a careful, diligent, and prudent manner and in full compliance with the terms hereof and all applicable laws, rules, orders and regulations.

3.1. Maintenance of Property. Company shall manage, maintain, and operate the Property (including occupied areas, common areas, the garage, plaza, and landscaping) in an efficient and professional manner consistent with the operation of governmental/office/retail developments of similar quality in the Chicagoland area, subject to the budget, policy and other limitations imposed by Owner. Without limiting the generality of the foregoing, Company shall systematically inspect the Property as often as Owner deems necessary and shall provide written monthly reports to Owner with respect to the Property. Company shall monitor requirements for capital improvements to the Property, make recommendations with respect thereto to Owner, obtain bids and enter into contracts for such work as directed by Owner and coordinate the work required to effect any such improvements requested by Owner.

3.2. Relations with Property Occupants. Company shall maintain business-like relations with occupants, whose requests and complaints shall be received, logged and acted upon by Company in a systematic fashion. Copies of such logs shall be provided to Owner on a monthly basis. Complaints of a serious nature shall be immediately reported to Owner by Company, and, after thorough investigation, appropriate recommendations for handling such complaints shall be submitted by Company to Owner. Company shall cause all occupants of the Property to be informed of all rules, regulations or notices which are promulgated by Owner or Company, with Owner's prior written consent, from

time to time. Company shall make diligent and continuing effort to obtain complete compliance by all occupants of the Property all rules and regulations promulgated by Owner for the Property. Company shall supervise the moving in and out of all occupants and, to the extent possible, arrange the dates thereof so as to minimize the disturbance of the operation of the Property and the inconvenience to other occupants. Promptly after any commercial tenant moves out of the Property, Company shall prepare and deliver to Owner (i) an inspection report containing Company's assessment of the condition of the portion of the Property previously occupied by such commercial tenant and (ii) the Company's recommendation of the disposition of any security deposit held as security for performance under any lease with respect to the premises vacated. Company shall, at Owner's expense to the extent provided in the Budget, perform for and provide to occupants (other than commercial tenants) any miscellaneous repair and maintenance services reasonably requested by such occupants from time to time. Company shall perform for and provide to commercial tenants, at the expense of such commercial tenants, miscellaneous repairs and maintenance services as reasonably requested at rates customarily charged in other downtown Chicago commercial-retail buildings.

3.3. Collections. Company shall bill, as necessary, and collect all commercial rent (including escalation billings resulting from past or future increases in expenses or pursuant to any other rent escalation provision) and other amounts (including late payment fees) due to Owner under the terms of any commercial lease or rental agreement currently in effect or entered into hereafter. Company shall collect and identify any income due to Owner for miscellaneous services provided to occupants or the public, including, without limitation, coin operated machines of all types, such as vending machines and pay telephones. All billings shall be sent promptly and with respect to escalation billings, not more than thirty (30) days after the end of the applicable period. With respect to the Property, Company shall promptly, but in no event later than two (2) business days after receipt by Company, deposit all such amounts in the Receipt Account as defined herein. Company is not authorized to and shall not compromise claims for such rent or other amounts, terminate any lease, lock out any occupant, institute suit for rent, use and occupancy, or for recovery of possession, without the prior written approval of Owner. Company shall retain in connection with such suits or proceedings only legal counsel designated by Owner. Company shall submit all legal expenses incurred in bringing such approved suit or proceeding to Owner for its approval. ~~Company shall not write off any~~
income items without the prior written approval

3.4. Operation and Maintenance Contracts

(a) Subject to subsection 3.4.(b) below and at the direction of Owner and on behalf of Owner, Company shall bid or negotiate contracts for services, improvements, maintenance, window cleaning, vermin extermination, repairs, water, electricity, gas, oil, telephone, other utilities, and such other services for the Property as may be necessary or advisable (collectively, the "Service Contracts"). All equipment, tools, appliances, materials, and supplies as are necessary for the proper operation and maintenance of the Property shall be purchased by Company on behalf of Owner and shall be the property of Owner. The Owner shall provide its sales tax exemption certificate to Company to be used for this purpose. All such purchases and Service Contracts shall be made at the expense of the Owner and in the case of Service Contracts shall include a right of Owner to cancel such Service Contracts on not more than thirty (30) days' notice except as approved by Owner in writing.

(b) Notwithstanding anything herein to the contrary, all contracts for repairs, capital improvements, and goods and services, including parking operations shall be awarded at no higher than prevailing market rates. At the request of Owner, any and all contracts to be awarded for the Property pursuant to this Agreement shall be on the basis of competitive bidding as directed by Owner.

3.5. Affirmative Action

Company agrees that in performing this Agreement it shall not discriminate against any worker, employee or applicant for employment, or any member of the public, because of race, creed, gender, color, national origin or disability, or otherwise commit an unfair labor practice. Attention is called to applicable provisions of the Civil Rights Act of 1964, Pub. L. 88-352, July 2, 1964, 78 Stat. 241 et. seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. 12010 et. seq.; the provisions of 41 C.F.R. 60; the Illinois Human Rights Act (Ill. Rev. Stat., 1987, Ch. 68, Sec. 1-101 et. seq.), and an Act to Prohibit Discrimination in Public Contracts (Ill. Rev. Stat., 1989, Ch. 29, Secs. 17 to 24 inclusive). Company shall use its best efforts to comply with the requirements of a Resolution passed by the Board of Commissioners of the Public Building Commission of Chicago on February 11, 1992, as may be modified from time to time, regarding participation of Minority Business Enterprises and Women Business Enterprises on contracts awarded by the Company. Company shall furnish such reports and information as requested by the Commission, the Illinois Department of Human Relations and other similar agencies.

3.6. Employees and Other Personnel.

(a) Company shall investigate, evaluate, employ or engage, compensate (in accordance with the Budget, as defined herein in section 5) supervise and discharge, such employees and personnel as may be required in the discretion of Company for the proper management, operation and maintenance of the Property and the protection of Owner's interests therein in accordance with the terms hereof. All such employees shall be employees of Company or of a third-party contractor engaged by Company and not of the Owner. Company will, in the hiring of such employees and personnel, use reasonable care to select qualified, competent and trustworthy individuals. Key personnel of Company consisting of the Building Manager, Assistant Building Manager and Chief Engineer are subject to Owner's approval. Company shall be responsible for the compensation, fringe benefits, all payroll taxes, and similar items with respect to such employees and personnel. Company shall directly control the time and manner of the work and services to be performed by such employees and personnel and Company shall comply with all laws, ordinances and regulations with regard to equal employment opportunity.

(b) Company shall make all necessary payroll deductions including, but not limited to, deductions for disability and unemployment insurance, social security, withholding taxes and other applicable taxes, wage garnishment, union dues, health and welfare, pension and prepare, maintain and file all necessary reports and statements with respect to such taxes or deductions, pertaining to personnel employed in or about the Property. Company shall indemnify, defend, protect and hold Owner harmless against any and all costs, damages, liabilities, expenses (including attorneys' fees and expenses), obligations, fines, penalties, judgments and charges that Owner may sustain as a result of or in connection with the failure of Company to perform any of its obligations pursuant to the preceding sentence.

(c) All wages, salaries and other compensation paid to all on-site personnel employed exclusively at the Property shall be considered operating expenses of the Property to the extent the same are included in the Budget approved by Owner or otherwise approved by Owner in writing. Company shall be entitled to pay the expenses described in this subsection 3.6.(c) to the extent provided in the Budget, out of the Disbursement Account, as defined herein.

(d) Subject to the terms hereof, the Budget, and the prior written approval of Owner, Company shall engage such contractors, consultants and other persons or firms necessary to discharge Company's obligations hereunder. Company shall comply with the standards set forth in subsection 3.6.(a) above with respect to the selection and control of such parties.

3.7. Licenses; Permits. Company shall, at Company's sole expense, keep in effect during the term hereof any licenses, permits, or other governmental consents required to be held by a property management company in order for Company to perform its duties and obligations hereunder. Company agrees to comply with all laws relative to security deposits, dispossessory action, and all other laws, rules, and regulations governing the Property and the occupancy thereof.

3.8. Security Services. The decision to provide, alter, continue, or terminate security or security services for the Property and the scope thereof, if any, shall be solely that of Owner. Company shall consult with Owner concerning security or security services and shall assist in the effectuation of such policies concerning security and security services as may be adopted by Owner.

3.9. Property Review. Upon execution of this Agreement, Company shall commence to perform a complete review of the Property including but not limited to:

- Staff Review and Assessment
- Physical Review and Assessment Including Verification of all Existing Building Areas, Uses and Configuration
- Capital Development Requirements and Recommendations
- Financial Review
- Administration Review
- Occupant Relations Review
- Service Review
- Public and Intergovernmental Review

The Property review shall be compiled into a report which shall include a summary of all information gathered by section, describe the methods used by Company to review and analyze the information and recommendations for a one-year plan, three-year plan and long range plan for the Property. This report shall be completed and submitted to Owner within 90 days after execution of this Agreement.

3.10. Governmental Regulations.

(a) **Notification of Violations.** Company shall promptly notify Owner and forward to Owner any complaints, warnings, notices, or summonses received by Company relating to the compliance of the Property or any of its equipment with requirements of any ordinance, law, rule, or regulation (including the Environmental Requirements, as defined below) of the city, county, state or federal government or any other public entity having jurisdiction over the Property (collectively, "Government Regulations").

(b) Indemnification. Owner shall indemnify and hold harmless Company, its representatives, servants, and employees, of and from all loss, cost, expense, and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of any Government Regulation except to the extent the same results from (i) Company's failure to perform its obligations under this Agreement, which failure remains uncured upon the expiration of any applicable grace or cure period thereof, (ii) Subject to the foregoing clause (i), Company's negligence or lack of disclosure of facts actually known to Company, the site manager or employees of Company, or (iii) any act of Company or its representatives, servants or employees outside the scope of this Agreement.

3.11. Environmental Conditions.

(a) Definitions.

(i) The term "Asbestos" as used herein shall mean actinolite, amosite, anthophyllite, chrysotile, crocidolite and tremolite, and also any waste which contains commercial asbestos including asbestos mill tailings, control device asbestos waste, friable asbestos waste material, and bags or containers that previously contained commercial asbestos, as set out in the *Code of Federal Regulations*, 40 C.F.R. § 61.141 (1988) and any amendment thereto or other Environmental Requirements, as defined herein.

(ii) The term "Environmental Requirements" as used herein shall mean all applicable federal, state and local environmental, health or safety laws, ordinances, rules and regulations and rules of common law, including, but not limited to:

(A) all laws and regulations governing the generation, use, collection, treatment, storage, transportation, recovery, removal, discharge or disposal of Hazardous Materials and all laws and regulations with regard to record-keeping, notification and reporting requirements respecting Hazardous Materials;

(B) all laws and regulations governing the generation, treatment, storage, discharge or disposal of wastewaters as provided under the *Clean Water Act*, as amended, 33 U.S.C. § 1251, *et seq.*, and any amendments thereto and regulations thereunder;

(C) all laws and regulations governing the generation, treatment, emission or discharge of atmospheric pollutants as provided under the *Clean Air Act*, as amended, 42 U.S.C. § 7401, *et seq.*, and any amendments thereto and regulations thereunder;

(D) all laws and regulations relating to Asbestos; and

(E) all laws and regulations governing the collection, treatment, handling, disposal, discharge, storage, transportation, or removal of polychlorinated biphenyls ("PCB's"), chlorofluorocarbons, and any "new" chemicals as provided for under the *Federal Toxic Substance and Control Act*, 15 U.S.C. §§ 2501-2529, and any amendments thereto and regulations thereunder.

(iii) "Hazardous Materials" means any toxic or hazardous wastes, pollutants, or substances, including, without limitation, Asbestos, PCBs, petroleum products and by-products, substances defined or listed as hazardous substances or toxic substances or similarly identified in or pursuant to the *Comprehensive Environmental Response, Compensation and Liability Act of 1980*, as amended, 42 U.S.C. § 9601 *et seq.*, hazardous materials identified in or pursuant to the *Hazardous Materials Transportation Act*, 49 U.S.C. § 1802, *et seq.*, hazardous wastes identified in or pursuant to *The Resource Conservation and Recovery Act*, 42 U.S.C. § 6901 *et seq.*, any chemical substances or mixture regulated under the *Toxic Substance Control Act of 1976*, as amended, 15 U.S.C. § 2601 *et seq.*, any toxic pollutant under the *Clean Water Act*, 33 U.S.C. § 1251 *et seq.*, as amended, any hazardous air pollutant under the *Clean Air Act*, 42 U.S.C. § 7401 *et seq.*, and any hazardous or toxic substance or pollutant defined and regulated under any other applicable federal, state or local Environmental Requirements.

(b) Environmental Covenants. Company (i) shall use its best efforts to cause the Property to be kept in material compliance with all Environmental Requirements; (ii) shall not store or use, and shall use its best efforts to prevent any other party from storing or using, any Hazardous Materials (as defined herein) at the Property other than those required for and in amounts appropriate for standard commercial maintenance operations for similar property; (iii) shall thoroughly and systematically inspect the Property from time to time to determine if to the best of its knowledge, any Hazardous Materials exist on the Property and whether the Property complies with the Environmental Requirements and promptly thereafter notify Owner of any situation known to Company which exists at the Property which would indicate the presence of Hazardous Materials or the noncompliance of the Property with the Environmental Requirements; (iv) shall coordinate with any environmental firms or other contractors hired by Company, with the prior written approval of Owner, to deal with any situation involving Hazardous Materials or a potential violation of Environmental Requirements at the Property; and (v) shall use its best efforts to comply with any procedures for the Property, which Owner may reasonably request. For purposes of the Section 3.12(b):

(I) Company shall be deemed to have used best efforts to cause the Property to be kept in material compliance with all Environmental Requirements if, not less often than once each year during the term of this Agreement, Company engages a reputable environmental engineer or consultant approved by Owner to perform an environmental assessment of the Property (at Owner's expense), and promptly advises Owner of any recommendations of such environmental engineer or consultant with respect to the maintenance, repair or remediation of the Property; and

(II) Company shall be deemed to have used best efforts to prevent any other party from storing or using, any Hazardous Materials at the Property other than those required for and in amounts appropriate for standard commercial maintenance operations if, at the time Company learns of such storage or use of Hazardous Materials, Company promptly notifies and advises Owner of Company's recommendations with respect thereto.

(c) Environmental Indemnification. Company shall indemnify, defend, protect and hold Owner harmless against any and all losses, costs, damages, liabilities, expenses (including attorneys' fees and expenses), obligations, fines, penalties, judgments, and charges (collectively, "Losses") that Owner may sustain as a result of or in connection with the failure by Company to perform any of its obligations pursuant to any of the Environmental Covenants contained in sub-section 3.11(b) above. Company shall not be liable for, and Owner shall indemnify Company for, Losses that arise from violations of Environmental Covenants (i) which arose prior to the date of this Agreement; (ii) which Company fails to discover after diligent inspection of the Property pursuant to subsection 3.11.(b) of this Agreement or in the course of the proper performance of its obligations under this Agreement; provided, however, that if Owner or an environmental engineer discloses to Company the existence of any Hazardous Materials or a violation of any Environmental Requirements, then Company shall be responsible for Losses that arise from its failure to properly perform its obligations under this Agreement with respect thereto; (iii) which are known to Owner but not disclosed to Company; (iv) which are disclosed in the Environmental Audit (as defined below); (v) which are caused by Owner's failure to comply with any specific recommendations made by Company or any environmental engineer regarding compliance with any of the Environmental Requirements; (vi) which are caused by Company's inability to comply with the Environmental Requirements because of the unavailability of funds from Owner, provided the Company has specifically notified Owner in writing of such need for funds and Owner has failed to provide such funds within a reasonable time after such notice; (vii) which are caused by any action taken by Company in accordance with the express recommendation or at the direction of Owner or which result from the failure of Company to act if such failure to act is in accordance with the express recommendation or at the direction of Owner; or (viii) which result from any action taken by Company in

accordance with the recommendation of any environmental engineer retained by Owner or by Company with Owner's approval pursuant to this Agreement.

(d) **Comprehensive Environmental Audit and Additional Covenants.** At the request of Owner (but not less often than annually), Company shall engage the services of an environmental consultant, approved by Owner, to perform a comprehensive environmental audit (or update of previous audit) of the Property which shall include air quality monitoring and testing. Additional air quality monitoring and testing shall be performed not less frequently than on an annual basis. The cost of this work, when approved in advance by Owner, shall be a reimbursable expense.

3.12. Legal Counsel. Company may, at Owner's expense and with Owner's prior written consent, engage legal counsel to advise on legal matters and conduct legal proceedings arising in the performance of Company's duties hereunder. Prior to the retention of such counsel, if requested by Owner, Company shall require the submission of a budget for the relevant proceedings for approval by Owner. Further, Company shall submit all legal expenses incurred in bringing any approved suit or proceeding to Owner for its approval. Notwithstanding the foregoing, Owner reserves the right to designate or approve all counsel and control all legal matters including litigation affecting the Property.

3.13. Records and Statements. Company shall prepare and submit to Owner reports and statements including, but not limited to, the following:

MONTHLY DISTRIBUTION

1. Cash Receipts Journal
2. Cash Disbursements Journal (together with such other information, including supporting invoices and vouchers, as Owner may reasonably request)
3. General Journal
4. General Ledger
5. Balance Sheet
6. Income and Expense Summary (by cost center, if applicable)
7. Trial Balance
8. Check Register

9. Detailed Listing of Accounts Payable, Contracts Payables, and Accrued Expenses
10. Bank Statements and Reconciliations
11. Budget Variance Analysis, including Commentary
12. Occupancy Report/Rent Roll
13. Cash Flow Summary
14. Capital Expenditures
15. Management Fee Computation
16. Payroll Register that includes personnel, time worked and time earned for holidays, vacation and funeral leave, where applicable, a payroll register with respect to personnel of Company, and, a description of services with respect to any affiliated or third-party contractors.
17. Monthly copies of contracts awarded and corresponding pay requests.

QUARTERLY DISTRIBUTION

1. A chart of all employees and personnel of Company and third-party contractors involved in the management and operation of the Property, their titles, compensation range, and whether they are bonded or covered under Company's comprehensive crime insurance policy.
2. List of all Service Contracts then in effect, a description of the contractor thereunder, service to be performed thereunder, annual cost, cost per square foot, payment frequency, commencement and termination dates, termination rights and other pertinent information.

ANNUAL DISTRIBUTION

1. Operating and Capital monthly budgets with corresponding back-up.
2. Schedules for Annual Audit.
3. Proof of Company's Insurance as required in subsection 7.2(b).

The frequency of reporting as indicated herein is subject to change by the Owner. The format of these reports and statements are subject to the written approval of the Owner. Reports and statements may include such supplementary reports and statements as Owner shall reasonably request. All information contained in such reports and statements shall be certified as accurate by Company. Company shall not, without Owner's prior written consent, provide copies of such reports or statements, or disclose any of the information contained therein, to any third party.

(a) Maintenance of Records. Company shall maintain, at Company's expense, in accordance with generally accepted real estate management accounting practices consistently applied, separate, accurate records of every receipt and disbursement with respect to every transaction concerning the Property. All expenses should be recorded as recoverable or non-recoverable on the general ledger. Recoverable expenses shall include all expenses which are reimbursable by commercial tenants of the Property. To the extent particular expenses or escalation items are billed separately to commercial tenants of the Property, Company shall maintain the books and records for the Property in a manner which enables Company to separately account for such items on a calendar year basis and on any other fiscal period required by Owner. Company shall maintain the books and records for the Property in a safe manner and shall make available to Owner upon request. Company agrees that, upon forty-eight (48) hours notice from Owner, all such records shall be available during regular business hours for audit, inspection, and copying by Owner, its accountants or authorized representatives. The cost of any such audit shall be a Property expense, unless it reveals negligence, willful misconduct or fraud and; in any such case, shall be borne by Company. Company agrees to cooperate with Owner, its accountants and any other parties designated by Owner in connection with any audit or inspection of such records.

(b) Rental and Occupancy Reports. Not later than the tenth (10th) day of each calendar month, Company shall render to Owner a written report, in form acceptable to Owner, of rental payment received for all commercial space in the Property as of the end of the preceding calendar month, and such other information relating to the rental or occupancy of the Property as Owner may request.

(c) Operating Reports. Not later than the fifteenth (15th) working day of each calendar month, Company shall submit to Owner a cash flow statement for the Property for the preceding calendar month as well as year-to-date totals including a comparison with the Budget and an explanation of all major variances (the "Cash Flow Report"). The Cash Flow Report shall be in a form acceptable to Owner and shall include and be supported by:

(i) a rent roll of commercial tenants showing, by occupant, security deposits, cash collected, and prepaid or accrued rents;

(ii) a calculation of all escalations and occupant reimbursements at the initial billing rate during each calendar year, and the annual adjustment to such reimbursements to reflect the actual amount for such calendar year;

(iii) a schedule of capital improvements, if any, that have been made in the preceding calendar month or year to date, including details of expenditures and completions;

(iv) such other information as Owner may request from time to time.

(d) Insurance and Other Statements. Promptly upon receipt thereof, Company shall submit to Owner a copy of all notices or statements received with respect to insurance policies respecting the Property and notices and statements received from any governmental agency or authority, together with any other notices or statements received by Company which threaten or are expected to have a material effect upon the Property or Owner; provided, however, that Company need not submit copies of information bulletins, questionnaires, and similar materials of general distribution unless expected to have a material effect upon the Property or Owner.

(e) Notices. Company shall notify Owner promptly in writing of all significant occurrences and circumstances affecting the Property or its operation or affecting in any manner the interest of Owner in and to the Property. In addition, Company shall promptly investigate and make full written report as to all accidents or claims for damage relating to the ownership, operation, and maintenance of the Property (such reports shall advise as to the extent and nature of any such damage or destruction to the Property and the estimated cost of repair). Company shall cooperate with and make any and all reports required by any insurance company in connection therewith.

(f) Inventories.

(i) Personal Property Inventory. Company shall prepare and deliver to Owner an inventory of the personal property, if any, used in connection with the Property (the "Inventory"). The Inventory shall include, without limitation, office equipment, motor vehicles, construction materials, furnishings, supplies and other property owned or leased in connection with the Property; provided, however, that the Inventory shall exclude office supplies and other expendable items. The first such Inventory of the Property shall be submitted to Owner within ninety (90) days following commencement

of this Agreement, and semi-annually thereafter. Promptly following the date upon which any item of such personal property is acquired, replaced, or disposed of, Company shall notify Owner in writing of such change. Company shall establish inventory controls and keep files of warranties and guaranties of all items of such property.

(ii) **File Inventory.** Company shall prepare and deliver to Owner an inventory of all existing files of drawings, specifications, reports, records, warranties, surveys, environmental manifests and all other documents which are located at the Property relating to the construction of the Property or construction work or environmental matters affecting the Property. The first such File Inventory shall be submitted to Owner within ninety (90) days following commencement of this Agreement, and quarterly thereafter. Company shall establish procedures and controls to ensure that all of the documents shown on a File Inventory for the Property are maintained by Company in a safe manner in a designated office at the Property. Company shall not authorize or permit any of the original documents (except copies thereof) shown on a File Inventory to be removed from the office designated for storage of such documents or to be out of Company's control, without the prior approval of Owner in each instance; provided, however, that Company may make and remove copies of any such documents from time to time as is reasonably necessary or convenient in the performance and discharge of its duties hereunder.

3.14. Emergency Repairs. In case of emergency, Company shall immediately communicate with Owner in person or by telephone or telecopier so that prompt arrangements may be made to meet such emergency. Company, however, is authorized, prior to communication to Owner, to take action for emergency repairs if, in the reasonable opinion of Company, such repairs are necessary to prevent additional damage or injury to persons or damage to other property or greater total expenditure, to protect the Property from damage, or to avoid danger or damage to persons or property in or around the Property. Company shall, within twenty-four (24) hours after the emergency occurs, notify Owner and Owner's designated insurance advisor promptly whenever emergency repairs have been ordered and shall, within forty-eight (48) hours after the emergency occurs, prepare and deliver to Owner a written report describing in detail the nature of the emergency and all actions taken by Company in connection therewith. Owner hereby designates the following persons to be notified by telephone:

Thomas R. Walker
Office Phone No.: (312) 744-3090
Home Phone No.: (312) 261-5132

Christopher R. Hill
Office Phone No.: (312) 744-3090
Home Phone No.: (312) 777-9095

Owner shall have the right to change the persons designated above by written notice to Company.

4. RECEIPTS AND DISBURSEMENTS OF FUNDS.

4.1. Accounts. During the term of this Agreement, Company shall keep and maintain separate receipt and disbursement accounts. The receipt account ("Receipt Account") shall be maintained at a local bank or such other bank as may be approved by Owner. The disbursement account ("Disbursement Account") shall be maintained at such banking institution as the Owner shall from time to time specify upon written notice to Company.

4.2. Receipt Account. All rents from commercial tenants and other monies received or collected by Company with respect to the Property, including occupants' security deposits, shall be deposited in the Receipt Account, and invested by the Company. The type of investments shall be approved by Owner in advance. The Company shall transfer to the Disbursement Account such funds as may be necessary to cover checks on an as needed basis.

4.3. Disbursement Account. Expenditures which Company is authorized to make by the terms of this Agreement or by other authorization of Owner relating to the Property shall be made from the Disbursement Account. Checks drawn against the Disbursement Account for authorized expenditures shall be made upon the signature of a duly authorized and bonded employee of Company.

4.4. Security Deposits. During the term of this Agreement, the Company shall immediately deposit any security deposits relating to the Property in the Receipt Account and keep a detailed accounting of all security deposits as received or subsequently refunded. Refunds of security deposits to commercial tenants shall be made upon the signature of a duly authorized and bonded employee of Company.

4.5. Advances. Owner shall deposit into the Receipt Account on the first (1st) business day of each month the amount of anticipated expenditures for that month (including Company's management fees for the preceding month) less any commercial rents or miscellaneous revenues received by the Company. Such advances shall be made in accordance with requests submitted to Owner no later than seven (7) calendar days prior to the date such funds are required. In the event that additional funds are required

at any time for payment of unanticipated expenses, operating or capital, relating to the Property, upon receipt of a request therefor on such form as may be approved by Owner, accompanied by a statement of the necessity therefor, Owner shall advance additional funds to the Receipt Account. Nothing in this subsection 4.5 shall be construed to require Owner to advance to Company any funds for costs or expenses in excess of or not approved in the current Budget unless Owner specifically approves the relevant expenditures. Notwithstanding anything to the contrary in this Agreement, Company shall have no obligation to advance funds on behalf of the Owner.

4.6. Supplies. As an expense of operation of the Property, Company shall on behalf of the Owner purchase such supplies and other expendable items as are necessary to operate the Property and these supplies and other expendable items shall remain the property of the Owner. Owner will provide its sales tax exemption certificate to Company. When purchasing such supplies, Company shall secure for and credit to the Budget for the Property any discounts, commissions, or rebates obtainable as a result of such purchase.

4.7. Travel. Company shall have no right to reimbursement or payment of travel expenses in the performance of its duties hereunder unless the same is approved in writing in advance by Owner.

5. BUDGET. Within ninety (90) days following execution of this Agreement, Company shall prepare and submit to Owner a capital and an operating budget for the Property covering the period January 1, 1994 through December 31, 1994, in sufficient detail to allow for meaningful review by the Owner (the "Initial Budget"). Prior to Owner's approval of the Initial Budget, Company shall manage and operate the Property pursuant to Owner's existing 1994 Budget for the Property and incur no expense in excess thereof without Owner's prior written approval. Company shall consult with Owner for the purposes of evaluating the Initial Budget and the Owner's operating and capital budget adopted prior to the execution of this Agreement. Thereafter, not later than August 1st of each year, preliminary budgets (capital and operating) shall be submitted to the Owner. On or before September 1 of each calendar year the Company shall submit a capital and an operating budget (the "Budget"). The Budget shall show all projected receipts and expenditures (capital, operating, leasing, if applicable, and other) for the following calendar year on a month to month basis, and shall include an allowance for contingency reserves for cost overruns incurred in connection with capital improvement work and such other information as Owner may request.

Following review, Owner shall notify Company of approval or disapproval of such proposed budget. If Owner disapproves such proposed budget, it shall notify Company of the reasons for such disapproval. Company shall revise such proposed budget in accordance with Owner's comments prior to Owner's annual board meeting on or about October 1st of each year. Owner shall have the right to revise the Budget from time to time and shall deliver written notice to Company of all such revisions.

When approved by Owner, Company shall implement the Budget and shall be authorized, without the need for further approval by Owner, subject to the provisions of 3.4.(b) hereof and the other limitations and qualifications contained herein, to make the expenditures and incur the obligations provided for in the Budget (except capital expenditures, which shall require the separate prior written authorization of Owner). Except in the event of an emergency as herein provided, Company shall not make any expenditures or incur any obligations for any transaction or group of similar transactions which shall exceed the amount budgeted therefor by more than the lesser of (i) five percent (5%) of the line item, or (ii) Two Thousand Five Hundred (\$2,500) Dollars per line item. Company agrees to use diligence and reasonable efforts to ensure that the costs of operating the Property shall not exceed the Budget in any one accounting category. Except for emergency expenditures as provided in Section 3.14 above, the Company shall not make any expenditures or incur any obligations in excess of the total Budget without Owner's prior written authorization.

Subsequent to the approval of the Budget by Owner for a particular calendar year, should either Owner or Company determine that such Budget is not compatible with the then-prevailing condition of the Property, Company shall, within thirty (30) days after (i) receipt of notice of such determination by Owner, or (ii) such determination by Company, prepare and submit to Owner a revised Budget for the balance of the calendar year, which revised Budget shall be subject to review and approval by Owner in the same manner and with the same effect as the original Budget for such calendar year.

6. COMPENSATION FOR MANAGEMENT SERVICES.

6.1. Management Fee.

(a) Amount; Payment. During the term hereof (including any extensions thereof) Owner shall pay Company a monthly management fee (the "Management Fee") for the Property equal to TWENTY EIGHT THOUSAND FIFTY AND 00/100 (\$28,050.00) DOLLARS subject to subsection 2.3.(b) above, payable in arrears. Owner shall deposit to the Receipt Account the Company's monthly Management Fee. The Management Fee for the Property for any partial month shall be prorated. Company is

hereby authorized to debit, in arrears, the Management Fee for the Property directly from the Disbursement Account.

(b) Non-Reimbursable Expenses of Company.

The following expenses or costs incurred by or on behalf of Company in connection with the management of the Property shall be at the sole cost and expense of Company and shall not be reimbursed by Owner:

(i) Cost of gross salary and wages, payroll taxes, insurance, worker's compensation, and other benefits of Company's management, office, maintenance, secretarial, and bookkeeping personnel above the grade of building manager, or below the grade of building manager and not employed exclusively at the Property;

(ii) General accounting and reporting services (excluding the services of independent outside accountants required by Owner) which are within the reasonable scope of Company's responsibility to Owner.

(iii) Cost of forms, papers, ledgers, and other supplies and equipment used in Company's office at any location off the Property;

(iv) Cost of electronic data processing and electronic data processing equipment that are not located at the Property; and data processing provided by computer service companies;

(v) Political or charitable contributions;

(vi) Cost of advances made to employees and cost of travel by Company's employees or agents to and from the Property;

(vii) Costs attributable to losses arising from negligence, willful misconduct or fraud on the part of Company, Company's agent or Company's employees;

(viii) Cost of Company's general and professional liability (errors and omissions) insurance and comprehensive crime insurance or fidelity bonds purchased by Company for its own account;

(ix) Training expenses, except that Owner shall reimburse Company for expenses of training employees located at the Property for skills related specifically to the Property (as opposed to general management or other training);

(x) Employment, placement or other so-called "headhunter" fees not directly related to the personnel described in subsection 3.6.(a);

(xi) Advertising and marketing expenses of Company not directly related to marketing the Property; and

(xii) All other home office and administrative overhead incurred by Company or otherwise customarily paid by a managing agent, including accounting costs.

(c) Expenses for Owner's Account.

All costs and expenses incurred by Company in the management of the Property or the performance of its duties hereunder which are provided for in the Budget, expended pursuant to Section 3.14 hereof relating to emergency repairs, or approved by Owner in writing shall be at Owner's expense.

6.2. Construction Supervision.

(a) Supervision of Repairs. Company shall oversee and supervise the making of ordinary repairs required in and around the Property ("Repairs"). Company shall not be entitled to compensation for such services, it being understood that Company's compensation for supervising Repairs is included in the Management Fee.

(b) Development of Capital Improvements Program. Company shall consult with and assist Owner in analyzing the capital needs of the Property and formulating a short, medium and long term capital improvements program for the Property. During the period such a program is under consideration and in the process of formulation Owner shall, in its sole discretion, pay Company a fee for such consultation and assistance of \$3,000 per month.

(c) Construction Work.

(i) Supervision of Construction Work. At the request of Owner, Company shall act as construction supervisor with respect to any Construction Work for the Property. For purposes of this subsection 6.2.(c) the term "Construction Work" shall mean construction, reconstruction or alteration of any improvements constituting part of the Property, but shall not include ordinary maintenance and Repairs made to the Property. Company's responsibilities as construction supervisor shall be comprehensive, to the end that Company agrees to supervise, oversee and administer each and every aspect of such construction. By way of illustration, Company shall (subject to Owner's approval in each instance): (A) select all required consultants; (B) negotiate contracts for architectural,

design, engineering and construction services; (C) secure any and all necessary approvals; (D) oversee the administration of the construction contract, including the disbursement process, lien waiver collection and financial reporting; and (E) act as project manager with respect to any such or Construction Work, including monitoring and approval of work, preliminary acceptance, "punch list" items, final acceptance and occupancy or re-occupancy of the Property. All contracts relating to Construction Work shall be subject to the prior written approval of Owner.

(ii) Construction Supervision Fee. Company shall be entitled to compensation for its supervision of Construction Work in an amount to be agreed upon by Owner and Company in light of then-prevailing compensation generally paid for construction supervision services for properties of similar size and quality in the downtown Chicago area.

(d) Mechanics Liens. Provided Owner makes sufficient funds available, Company shall take all such measures as are reasonably necessary to ensure that the Property remains free from mechanics' liens, security interests, and encumbrances in connection with any Repairs or Construction Work undertaken on the Property.

(e) Use of Affiliates. Except with the prior written approval of Owner, Company shall not employ any corporation or entity in which Company has a financial interest for the purpose of performing any work in connection with Repairs or Construction Work, including serving as a general contractor in connection with such work. Notwithstanding the foregoing, Owner acknowledges that Company intends to delegate a substantial portion of its duties under this Section 6.2 to Raymond M. Chin and R.M. Chin & Associates, Inc., and agrees to and approves such delegation.

(f) Awarding of Contracts. All contracts for Repairs or Construction Work shall, unless waived by Owner, be awarded in accordance with the bidding procedures in subsection 3.4.(b) above.

7. INDEMNIFICATION; INSURANCE.

7.1. **Indemnity.** Company shall defend, hold harmless, and indemnify Owner from and against any and all loss, damage, or expense, including reasonable attorneys' fees, arising from any claim brought against Owner resulting from (a) subject to the immediately succeeding clause (b), the negligence or willful misconduct of Company or any of its employees or others for whom Company is legally responsible, (b) any default of Company when it is carrying out its duties or obligations under the provisions of this Agreement, which default remains uncured upon the expiration of any applicable notice, grace or cure periods therefor, or (c) the use by Company or any of its employees or

others for whom Company is legally responsible of any owned, non-owned, or leased motor vehicle. Company shall be responsible for all physical damage to Owner's owned or leased motor vehicles that are in the care, custody and control of Company's employees or agents. Owner shall defend, hold harmless, and indemnify Company from and against any and all loss, damage, or expense, including reasonable attorneys' fees, arising from any claim brought against Company when Company is properly carrying out its obligations under this Agreement or is otherwise acting in accordance with the express directions of Owner.

7.2. Insurance.

(a) Owner's Insurance. Owner shall carry the following insurance, at its own expense:

(i) all-risk property insurance, covering the full replacement cost of the Property; and

(ii) comprehensive general liability insurance including personal injury and contractual liability with a minimum combined single limit of at least Five Million (\$5,000,000) Dollars per occurrence and general aggregate.

The foregoing policies are collectively referred to herein as the "Owner's Policies." Company shall be named as an additional insured under Owner's Policies in its capacity as real estate manager of the Property. Owner shall furnish to Company certificates of insurance evidencing the existence of Owner's Policies. Companies with which the insurance is placed shall have received an A.M. Best's rating of "A" VII or better. Company shall be provided with at least thirty (30) days written notice of any insurance cancellation or reduction or modification in coverages which are insured.

(b) Company's Insurance. Company shall carry the following insurance, at its own expense:

(i) Crime Policy covering Company and those employees of Company who handle or are responsible for the handling of Owner's funds, in an amount of not less than One Million (\$1,000,000) Dollars, written with a company reasonably acceptable to Owner. Company shall deliver to Owner within ten (10) days of the date of execution hereof, a certificate evidencing such policy and an agreement that such coverage cannot be canceled or modified without sixty (60) days prior written notice to Owner. In the event Company is unable to procure such bond, Owner may (but shall be under no obligation to) attempt to procure such bond at Company's expense and Company shall fully cooperate with Owner in such regard.

(ii) Commercial Business Automobile Insurance for all owned, hired and non-owned automobiles in the minimum amount of One Million (\$1,000,000) Dollars combined single limit per occurrence for bodily injury and property damage for vehicles used exclusively for the Property.

(iii) Workers' Compensation Insurance to the extent of the statutory limits required by applicable law, and Employer's Liability Insurance in the following minimum amounts:

\$ 1,000,000.	Bodily Injury by Accident for Each Accident
\$ 1,000,000.	Bodily Injury by Disease for Policy Limit
\$ 1,000,000.	Bodily Injury by Disease for Each Employee

The Public Building Commission of Chicago, its commissioners, officers, employees and agents, individually and collectively, will be named as Alternate Employer.

(iv) Commercial General Liability Insurance to protect the Company from claims for damages for Bodily Injury, including accidental death, as well as claims for Property Damage which may arise in the course of the performance of services under this Agreement or from activities under or incidental to this Agreement, whether such activities be by the Company or by its subcontractors, or anyone directly or indirectly employed or otherwise contracted by any of them. Limits for such insurance shall be as follows:

\$ 2,000,000.	General Aggregate
\$ 2,000,000.	Products/Competed Operations Aggregate
\$ 1,000,000.	Personal & Advertising Injury Limit
\$ 1,000,000.	Each Occurrence Limit
\$ 50,000.	Fire Legal Limit
\$ 5,000.	Medical Payment Limit

The Public Building Commission of Chicago, its commissioners, officers, employees and agents, individually and collectively, shall be named as Additional Insureds. The Limits requested will apply specifically to the Property by use of a Special Endorsement to the General Liability Policy.

(v) Umbrella Liability Insurance with limits, excess of Employers Liability, Commercial Business Auto Liability and Commercial General Liability as follows:

\$ 10,000,000.	General Aggregate
\$ 10,000,000.	Products/Completed Operations Aggregate
\$ 10,000,000.	Each Occurrence Limit

(vi) Professional Real Estate Errors and Omissions insurance in the amount of \$1,000,000 covering the Company against all sums which the Company may become obligated to pay by reason of the liability imposed upon the Company by law for damage resulting from any claim made against the Company arising out of the performance of this Agreement and caused by any error, omission, or act of the Company, or of any person or consultant employed by the Company, or any others for whose actions the Company is legally liable. This requirement for Professional Real Estate Errors and Omissions Insurance may be satisfied by appropriate endorsement on an existing insurance policy carried by Company with the aforesaid limits of liability and which shall be maintained for a period of not less than four (4) years following completion of this Agreement.

The foregoing policies are collectively referred to as "Company's Policies." Company's Policies shall be maintained with companies having an A.M. Best's rating of "A+" VII or better. Company shall provide Owner with certificates evidencing such bonds or insurance, as applicable, within ten (10) days of the execution of this Agreement. All certificates shall also indicate that Owner will receive sixty (60) days prior written notice by Company's insurers in the event of cancellation or modification of any of the insurance coverages required by this Agreement.

(c) Other Insurance. Company shall cooperate with the Owner and its designated insurance advisor in determining appropriate types and limits of insurance coverages for the Property and maintain certificates of insurance as requested by Owner. Company shall cause all contractors, subcontractors and suppliers performing work or providing supplies to maintain insurance coverage, at such parties' expense, with carriers having an A.M. Best's rating of "A" VII or better, in the following minimum amounts:

1) Worker's Compensation coverage for Coverage A (statutory) and Coverage B, Employer's Liability with limits of:

\$ 500,000.	Bodily Injury by Accident for Each Accident
\$ 500,000.	Bodily Injury by Disease for Policy Limit
\$ 500,000.	Bodily Injury by Disease for Each Employee

- 2) Comprehensive General Liability, including contractual liability, naming the Owner, its commissioners, officers, employees and agents, individually and collectively, the Company and its affiliates as additional insureds for the two (2) ISO forms now accepted in the industry, in the following minimum amounts:

(A) Contract cost of less than \$250,000

1973 ISO FORM

Comprehensive General Liability Insurance:

Bodily Injury	\$	500,000.00	Each Occurrence
Property Damage	\$	500,000.00	Each Occurrence

1986 ISO FORM

Commercial General Liability Insurance:

Combined Single Limit

Bodily Injury &

Property Damage

\$ 500,000.00 Each Occurrence

\$ 500,000.00 General Aggregate

Products/Completed

Operations

\$ 500,000.00 General Aggregate

Personal Injury &

Advertising Limit

\$ 500,000.00

(B) Contract cost of more than \$250,000 and less than \$1,000,000

1973 ISO FORM

Comprehensive General Liability Insurance:

Bodily Injury	\$	1,000,000.00	Each Occurrence
Property Damage	\$	1,000,000.00	Each Occurrence

1986 ISO FORM

Commercial General Liability Insurance:

Combined Single Limit

Bodily Injury & Property Damage	\$ 1,000,000.00	Each Occurrence
	\$ 1,000,000.00	General Aggregate

Products/Completed

Operations	\$ 1,000,000.00	General Aggregate
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Personal Injury &

Advertising Limit	\$ 1,000,000.00	
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(C) Contract cost of \$1,000,000 or more.

1973 ISO FORM

Commercial General Liability Insurance

Bodily Injury	\$ 3,000,000.00	Each Occurrence
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Property Damage	\$ 1,000,000.00	Each Occurrence
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1986 ISO FORM

Commercial General Liability Insurance

Combined Single Limit

Bodily Injury & Property Damage	\$ 1,000,000.00	Each Occurrence
	\$ 2,000,000.00	General Aggregate

Products/Completed

Operations	\$ 2,000,000.00	Aggregate Limit
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Personal Injury &

Advertising Limit	\$ 1,000,000.00	
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Umbrella Liability

Policy	\$ 3,000,000.00	
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Note: Comprehensive General Liability Policy

a. The Contractor, sub-contractor or supplier shall purchase and maintain insurance to protect against claims due to explosion, collapse or damage to underground utilities.

b. The Contractor, sub-contractor or supplier shall include under the Comprehensive General Liability Insurance (or Commercial General Liability Insurance, whichever is applicable), Personal Injury coverage with employee exclusion deleted, Broad Form Property Damage Coverage, Independent Contractors Coverage and Products/Completed Operations Coverage. The Contractor shall evidence continuous product/Completed Operations coverage for two (2) years after final acceptance of the completed work by the Owner/Company.

Note: Commercial General Liability Insurance

a. Commercial General Liability Insurance must be on the Occurrence Form. Claims Made Form will not under any circumstances be acceptable to the Owner/Company.

b. The Certificate of Insurance under the 1986 ISO Form must show the requested insurance limits will apply specifically to the subject Contract by use of a special endorsement in the General Liability Policy.

- 3) Comprehensive Automobile Liability Insurance which shall include all owned, leased, hired or non-owned vehicles with limits of liability as follows:

Bodily Injury	\$ 500,000.00	Each Person
	\$ 1,000,000.00	Each Occurrence
Property Damage	\$ 500,000.00	Each Occurrence

Higher amounts and/or additional types of insurance coverages may be required if the work to be performed by such contractors or subcontractors is hazardous or otherwise as determined by Owner. Company shall obtain and keep on file a certificate of insurance which shows that such party is so insured. Such certificates shall name Owner and Company as additional named insureds as their interests may appear and shall include provisions to the effect that Owner and Company will be given at least sixty (60) days' prior written notice of cancellation, non-renewal or material change in coverage of any of the aforesaid policies.

7.3. Continuation of Indemnity and Certain Other Obligations. It is expressly understood and agreed that any and all indemnifications and requirements of insurance coverage set forth in this Agreement shall survive any termination or expiration of the Agreement. Termination of the Agreement shall not terminate any liability or obligation of Owner to Company, or Company to Owner, for any indemnification, payment, reimbursement, or other sum of money then due and payable or thereafter becoming due and payable.

8. LIMITATIONS ON ASSIGNMENT BY COMPANY. This Agreement may not be transferred, assigned, sold or in any manner pledged or hypothecated by Company. Company may not delegate any duties of Company under this Agreement without prior, written approval of Owner, which approval may be withheld at Owner's sole discretion. Notwithstanding the foregoing, Company may upon written notice to Owner delegate any of its duties hereunder to an affiliate under common ownership and control with Company provided that such delegation shall not relieve Company of its obligations and responsibilities under this Agreement.

9. BINDING EFFECT. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by Owner and Company, and their respective successors, assigns and legal representatives.

10. **NOTICES.** All notices, requests, payments, demands, designations, directions, and other communications required or desired to be given in connection herewith, shall be in writing and shall be deemed to have been duly given upon personal delivery, delivery by reputable overnight courier, delivery by confirmed telefax, or on the third (3rd) day after mailing if sent by registered or certified mail, return receipt requested, postage prepaid, and directed to following:

If to Owner, to:

Thomas R. Walker & Christopher R. Hill
Richard J. Daley Center, Room 705
Chicago, Illinois 60602
Facsimile: 744-8005

With a copy to:

Earl L. Neal
Earl L. Neal & Associates
111 W. Washington, Suite 1700
Chicago, Illinois 60602
Facsimile: 641-5137

If to Company, to:

Miglin-Beitler Management Corporation
181 West Madison
Chicago, Illinois 60602
Attn: Steven D. Smith
Facsimile: 807-3853

With a copy to: Office of the Building
Richard J. Daley Center
Chicago, Illinois 60602
Attention: General Manager
Facsimile: 744-8005

and

Alvin Charles Katz
Mayer Brown & Platt
190 South LaSalle Street
Chicago, Illinois 60606
Facsimile: (312) 701-7711

or to such other person, entity, or address as may be designated by either party in like manner.

11. PROPERTY OFFICE. Company shall maintain an office at the Property which shall be designated and known as the "Office of the Building." If the Office of the Building is not located at the Property, occupants and commercial tenants shall be made fully aware of the location and method of reaching Company at all times. At a minimum, Company will retain for the Property at all times, at Owner's expense, a building manager acceptable to Owner who shall be in charge of such office and available at all times during business hours to perform the duties of the Company hereunder. Owner agrees to provide such office space in the Property as mutually agreed upon by Owner and the Company, free of any rental charge thereof. It is understood and agreed that such office space is to be used solely for the purpose of managing and operating the Property. In connection with the operation of such office, Owner shall pay the cost of constructing and furnishing such office, and of heating, lighting, water and general maintenance thereof, all of which costs shall be included in the Budget for the Property. All furniture and supplies located in such office shall be the property of Owner.

12. NON-DISCRIMINATION. Company shall not discriminate against any employee or applicant for employment by Company because of race, creed, color, age, sex, handicap or national origin. Such action shall include, but not be limited to the following: (a) employment, upgrading, demotion, or transfer; (b) recruitment or recruitment advertising; (c) layoff or termination; (d) rates of pay or other forms of compensation; and (e) selection for training, including apprenticeship. Company agrees to post, in conspicuous places available to employees and applicants for employment, notices to be provided setting forth the provisions of this non-discrimination policy.

13. NO ADVERTISING. No publication, announcement, or other public advertisement of Owner's name in connection with the Property shall be made by Company, except as may be required by applicable law, or in connection with agreements entered into by Company in Owner's name as expressly provided herein, or except as may be specifically approved in writing by Owner.

14. STATUS REPORTS. Recognizing that each party may find it necessary from time to time to establish to third parties such as accountants, banks, mortgagees, or the like, the then current status of performance hereunder, each party agrees, upon the written request of any other party made from time to time by notice, to furnish promptly a written statement (in recordable form, if requested) on the status of any matter pertaining to this Agreement to the best knowledge and belief of the party making such statement.

15. CHOICE OF LAW; INTERPRETATION OF AGREEMENT.

15.1. Choice of Law. This Agreement shall be interpreted, construed, and governed by and under the laws of the State of Illinois.

15.2. Construction. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be severed herefrom and such invalidity or unenforceability shall not affect any other provision of this Agreement, the balance of which shall remain in full force and effect; provided, however, that if such provision is deemed invalid or unenforceable as a matter of law, such provision shall be deemed to have been modified so as to be valid and enforceable to the maximum extent permitted by law.

15.3. Titles. The titles of the various paragraphs of this Agreement are used solely for reference purposes and do not construe, nor shall they be deemed or used to construe, interpret, limit, or extend the meaning or scope of any work, clause, paragraph, or provision of this Agreement.

15.4. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior and contemporaneous communications, agreements, and assurances, whether verbal or written. This Agreement may not be changed, modified, discharged or terminated except by a written instrument signed by Owner and Company.

15.5. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original.

15.6. Additional Documentation. The parties hereto agree to prepare, sign, and deliver, or cause to be prepared, signed, and delivered, such other and further instruments and documents as the parties hereto and their respective attorneys deem reasonably necessary to carry out the intent of this Agreement.

15.7. Gender. Whenever required by context, the masculine pronoun shall include the feminine and neuter genders, and the singular shall include the plural and vice versa.

16. NO LIENS. Company waives and releases, for itself and its successors, assigns, legal representatives and subcontractors, any claim of a lien or charge against the Property with respect to services performed or monies or other consideration due hereunder.

17. WAIVER OF JURY TRIAL.

Owner and Company hereby knowingly, voluntarily and intentionally waive the right to a trial by jury in respect of any litigation based hereon, arising out of, under or in connection with the agreement or any other documents contemplated to be executed in connection herewith or any course of conduct, course of dealings, statements (whether verbal or written) or actions of either party; this waiver being a material inducement for the Owner to execute this Agreement.

18. COOPERATION. Company shall cooperate with each entity Owner employs with respect to the management or operation of the Property, or any portion thereof.

19. RELATIONSHIP OF PARTIES. The relationship between Owner and Company is, and at all times during the term of this Agreement, shall remain solely that of owner and manager. Company is being retained as an independent contractor with authority to act as an agent of Owner only to the extent specifically set forth in this Agreement. Nothing in this Agreement shall be construed as creating a joint venture or partnership relationship between Owner and Company.

20. EXCULPATION. Neither Owner nor any of its directors, officers or employees shall have any personal liability for Owner's obligations under this Agreement. Owner's liability hereunder shall be limited to the funds allocated to Owner for the management and operation of the Property. Nothing contained herein, shall be deemed to entitle Company to a lien or other charge upon the Property or the proceeds from any sale or other disposition thereof.

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties herein on the 20th day of December, 1993.

OWNER:

Public Building Commission of Chicago

By:

Richard M Daley

Title: Chairman

Attest:

Stan D. Villa

Secretary

COMPANY:

Miglin-Beitler Management Corporation

By:

[Signature]

Title:

Executive Vice President

Attest:

[Signature]

EXHIBIT "A"

BLOCK 38 OF THE ORIGINAL TOWN OF CHICAGO IN THE SOUTHEAST $\frac{1}{4}$ OF SECTION 9, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, PLATTED BY CANAL COMMISSIONERS ON AUGUST 4, 1830, ALL IN COOK COUNTY, ILLINOIS.