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Cook County Recorder 126.50

**FIRST AMENDMENT TO  
RECIPROCAL EASEMENT  
AGREEMENT**



0030338137

**This document prepared by:**

William F. McGuinn  
Sugar, Friedberg & Felsenthal  
30 North LaSalle Street  
Suite 3000  
Chicago, Illinois 60602

**When recorded mail to:**

William F. McGuinn  
Sugar, Friedberg & Felsenthal  
30 North LaSalle Street  
Suite 3000  
Chicago, Illinois 60602

This First Amendment to Reciprocal Easement Agreement (this "Amendment") is made as of the 31<sup>st</sup> day of December, 2002 and is by 130 SOUTH CANAL LIMITED PARTNERSHIP, an Illinois limited partnership (the "Partnership") and LASALLE BANK/~~National Association formerly known as~~ <sup>National Association</sup> as trustee under a Trust Agreement dated February 21, 1997 and known as Trust No. 120796 (the "Declarant").

WHEREAS, the Partnership, the Declarant and The Metropolitan Place Condominium Association (the "Association") entered into a Reciprocal Easement Agreement (the "Agreement") dated as of March 4, 1998, and recorded with the Cook County Recorder of Deeds on March 5, 1999 as Document No. 99214669.

WHEREAS, the Agreement affects the Parcel and Building as therein defined, legally described in Exhibit A attached hereto.

WHEREAS, Section 19.4(b) of the Agreement gives the Partnership and the Declarant the power and authority, without the consent of the Association, to amend the Agreement.

WHEREAS, the Partnership and the Declarant wish to amend the Agreement as set forth herein.

NOW, THEREFORE, the Partnership and the Declarant hereby stipulate and agree as follows:

1. Terms: Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Agreement. In the event of any conflict between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control and govern.

2. Exhibits. Exhibit B and Exhibit C were omitted from the recorded version of the Agreement. Exhibits B and Exhibit C attached hereto are the Exhibit B and Exhibit C which were to have been attached to the Agreement, and the Agreement is hereby amended by identifying Exhibit B and Exhibit C attached hereto as Exhibit B and Exhibit C to the Agreement. Additionally, attached hereto as Exhibit D is a copy of the Signage Standard most recently adopted by the Partnership.

3. Legal Expenses. Notwithstanding the reference in Exhibit C to "legal expenses," the Owner of the Retail Property shall only pay its share of those legal expenses that benefit the entire Building. The Owner of the Retail Property shall not pay any portion of those legal expenses that benefit only the Residential Property, including without limitation, expenses for collection of funds from an owner of a Unit or removal of a tenant from a Unit.

4. Applicable Percentages and Determination Thereof. The parties stipulate and agree that effective as of January 1999 the Owner of the Retail Property has been responsible for bearing and shall bear 7.33%, and the Owner of the Residential Property has been responsible for bearing and shall bear 92.62% of the total cost of the services to be furnished, or caused to be furnished, by the Owner of the Residential Property as described in Section 4.1(a) through and including Section 4.1(h) of the Agreement.

5. Satellite Easement. The term "antennae," as used in the definition of the term "Facilities" in Section 1.11 of the Agreement shall be deemed to include satellite dishes and all other related devices designed to send or receive radio, television or similar signals ("Satellite Dishes"). The easements granted to the Retail Property in Article 2 of the Agreement shall include a non-exclusive easement for access to and use of the roofs of the Building for the purpose of installation and maintenance of Satellite Dishes serving the Retail Property or any portion thereof; provided, however, that such Satellite Dishes may only be used by Owner of the Retail Property and its tenants for receiving signals in their space, and for communications and other purposes utilized within the Retail Space.

6. Utilities and Other Similar Services. Section 4.1(h) of the Agreement is hereby amended to read, in its entirety, as follows:

(h) Utilities And Other Similar Services. All necessary utilities to any area of the Residential Property in which the Facilities serving the Retail Property are located, and any capital expenditures necessary in the reasonable judgment of the Owner of the Residential Property to operate and maintain such areas at all times as a first class residential and commercial property.

7. Maintenance, Repair, and Damage to the Retail Property and the Residential Improvements. Sections 9.1 and 9.2 of the Agreement are hereby amended to read, in their entirety, as follows:

9.1 The Owner of the Retail Property, at its sole cost and expense, shall keep the Retail Property (excluding the Building exterior and all other items the Owner of the Residential Property is required to maintain, which items shall be maintained, repaired and replaced by the Owner of the Residential Property, at its sole cost) and all Facilities located therein (excluding the pipes, ducts and related equipment and other Facilities located in the portion of the Retail Property below the bottom of the slab forming the floor of the Residential Property and above the ceiling of the Retail Property, which serve the Residential Property, which Facilities shall be maintained, repaired and replaced by the Owner of the Residential Property), or for which the Owner of the Retail Property is specifically assigned maintenance responsibility under this Agreement, in good and safe order and condition and shall make all repairs and replacements of such property necessary to keep such property in a safe first-class operating condition. The foregoing shall apply regardless of how the necessity or desirability of the maintenance, repair or replacement may arise, whether by wear and tear, obsolescence, defects, fire or other casualty or otherwise; provided however, that if such maintenance, repair or replacement is necessitated by fire or other casualty, the Owner of the Retail Property shall only be obligated to undertake such maintenance, repair or replacement to the extent of proceeds from the insurance policies maintained by the Owner of the Residential Property made available to the Owner of the Retail Property. The plans and specifications for any such repair or reconstruction shall provide for the Retail Property to be rebuilt as nearly as commercially practicable to the Retail Property as constructed prior to the damage unless prohibited by law or unless the Owner of the Residential Property otherwise agrees. Provisions concerning modifications, alterations, or improvements to the Retail Property are set forth in Article 14 of this Agreement.

9.2 Except as expressly provided in Section 9.1, the Owner of the Residential Property, at its sole cost and expense, shall keep the Building and all Facilities located therein (excluding the HVAC system and related

equipment exclusively serving the Retail Property and the electrical and mechanical systems of the Building which exclusively serve the Retail Property and all plate glass windows on the face of the Building adjacent to the Retail Property, all of which shall be maintained, repaired and replaced by the Owner of the Retail Property) necessary to provide structural support, easements and other services to the Retail Property as required in this Agreement, in good and safe order and condition and shall make all repairs and replacements of such property necessary to keep such property in a safe first-class operating condition. The foregoing shall apply regardless of how the necessity or desirability of the maintenance, repair or replacement may arise, whether by wear and tear, obsolescence, defects, fire or other casualty or otherwise. Each Owner (a "Reimbursing Owner") shall be responsible for reimbursing the other Owner (a "Reimbursed Owner") for any costs and expenses incurred for maintenance the Reimbursed Owner is required to perform as a result of damage caused by the Reimbursing Owner.

8. Rebuilding Obligations. Section 9.4 of the Agreement is hereby amended by adding the following sentence at the end hereof:

The foregoing to the contrary notwithstanding, the Owner of the Retail Property shall have the obligation to rebuild to the extent and only to the extent of the proceeds of the insurance policies maintained by the Owner of the Residential Property made available to the Owner of the Retail Property to pay for the cost of such work.

9. Signage. Section 15.1(e) of the Agreement is hereby amended to read, in its entirety, as follows:

The Owner of the Residential Property reserves the right at all times to approve the design, location, and size of any and all canopies and signs placed outside the Building unless such canopies and signs are consistent with the Signage Standards from time to time adopted by the Owner of the Retail Property. The Owner of the Retail Property shall not permit any tenant to place any signs on the interior of the Retail Property which are visible from the exterior of the Building except for those which are consistent with the Signage Standards from time to time adopted by the Owner of the Retail Property and with the terms of such tenant's lease.

10. Survival. The Agreement shall continue in full force and effect as amended by this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first set forth above.

**SELLER:**

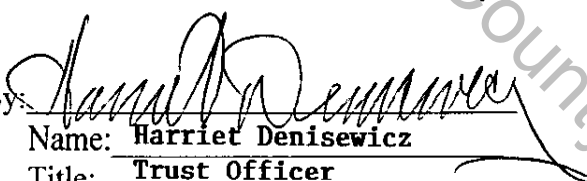
**130 SOUTH CANAL LIMITED  
PARTNERSHIP,** an Illinois limited  
partnership

By: Canal Associates, L.L.C., its General  
Partner

By: Everest Partners, L.L.C., its Manager

By:   
Norman Katz, Member

National Association formerly known as  
**LASALLE BANK/National Association** LaSalle  
National Bank, as Trustee under Trust  
Agreement dated February 21, 1997 and  
known as Trust No. 120796 and not personally

By:   
Name: Harriet Denisewicz  
Title: Trust Officer

**LASALLE LAND TRUST EXCULPATION INSERT**

This Amendment is executed by LaSalle Bank National Association, not personally but solely as Trustee, as aforesaid, in the exercise of the power and authority conferred upon and vested in it as such Trustee. All the terms, provisions, stipulations, covenants and conditions to be performed by LaSalle Bank National Association are undertaken by it solely as Trustee, as aforesaid, and not individually and all statements herein made are made on information and belief and are to be construed accordingly, and no personal liability shall be asserted or be enforceable against LaSalle Bank National Association by reason of any of the terms provisions, stipulations, covenants and/or statements contained in this Amendment.

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Pursuant to the power of attorney granted to the Partnership in the Agreement, the Partnership consents to the foregoing Amendment on behalf of the Association.

**THE METROPOLITAN PLACE CONDOMINIUM ASSOCIATION**

By: **130 SOUTH CANAL LIMITED PARTNERSHIP**, an Illinois limited partnership

By: Canal Associates, L.L.C., its General  
Partner

By: Everest Partners, L.L.C., its Manager

By:   
Norman Katz, Member

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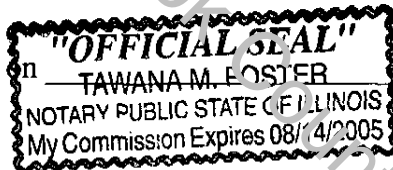
STATE OF ILLINOIS )  
 )  
COUNTY OF COOK ) ss.

I, the undersigned, Notary Public in and for said County, in the State aforesaid, do hereby certify that Harriet Denisewicz, Trust, officer of LASALLE ~~NATIONAL~~ BANK/~~as Trustee~~ NATIONAL ASSOCIATION Under Trust Agreement dated February 21, 1997 and known as Trust No. 120796, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Bank Officer, respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act, and as the free and voluntary act of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 4th day of March,  
~~2002~~ 2003

Tawana M. Foster  
Notary Public

My Commission Expires on



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STATE OF ILLINOIS

)

ss.

COUNTY OF COOK

)

)

I, TERESA L West, Notary Public in and for said County, in the State aforesaid, do hereby certify that Norman Katz, Managing Member of Everest Partners L.L.C., personally known to me to be the same person whose name is subscribed to the foregoing instrument the appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said Company, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 28<sup>th</sup> day of February, 2002.

Teresa L. West  
Notary Public

My Commission Expires on



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## EXHIBIT A LEGAL DESCRIPTION

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### PARCEL

#### PARCEL 1:

THE SOUTH 22 FEET OF LOT 5 IN BLOCK 50 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

#### PARCEL 2:

LOT 5 (EXCEPT THE SOUTH 22 FEET THEREOF) AND ALL OF LOTS 6, 7, AND 8 IN BLOCK 50 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### RESIDENTIAL PROPERTY

LOTS 5, 6, 7 AND 8 (EXCEPTING THAT PART WHICH LIES ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +28.04 FEET AND BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +41.14 FEET, CHICAGO CITY DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF LOT 5; THENCE NORTHERLY ALONG THE EAST LINE OF SAID LOT, A DISTANCE OF 110.25 FEET; THENCE WESTERLY PERPENDICULAR TO SAID EAST LINE, A DISTANCE OF 1.61 FEET TO THE POINT OF BEGINNING;

THENCE WEST, A DISTANCE OF 13.10 FEET;  
THENCE NORTH, A DISTANCE OF 5.10 FEET;  
THENCE WEST, A DISTANCE OF 5.65 FEET;  
THENCE NORTH, A DISTANCE OF 0.81 FEET;  
THENCE WEST, A DISTANCE OF 15.12 FEET;  
THENCE NORTH, A DISTANCE OF 4.30 FEET;  
THENCE WEST, A DISTANCE OF 2.80 FEET;  
THENCE SOUTH, A DISTANCE OF 0.69 FEET;  
THENCE WEST, A DISTANCE OF 32.54 FEET;  
THENCE NORTH, A DISTANCE OF 2.69 FEET;  
THENCE WEST, A DISTANCE OF 9.55 FEET;  
THENCE NORTH, A DISTANCE OF 23.72 FEET;  
THENCE EAST, A DISTANCE OF 78.76 FEET;  
THENCE SOUTH, A DISTANCE OF 35.93 FEET TO THE POINT OF BEGINNING;

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ALSO EXCEPTING THAT PART WHICH LIES ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +28.04 FEET AND BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +41.14 FEET, CHICAGO CITY DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF LOT 5; THENCE NORTHERLY ALONG THE EAST LINE OF SAID LOT, A DISTANCE OF 1.30 FEET; THENCE WESTERLY PERPENDICULAR TO SAID EAST LINE, A DISTANCE OF 3.37 FEET TO THE POINT OF BEGINNING;

THENCE WEST, A DISTANCE OF 95.15 FEET;  
THENCE NORTH, A DISTANCE OF 21.64 FEET;  
THENCE WEST, A DISTANCE OF 8.48 FEET;  
THENCE NORTH, A DISTANCE OF 66.00 FEET;  
THENCE EAST, A DISTANCE OF 11.07 FEET;  
THENCE NORTH, A DISTANCE OF 4.67 FEET;  
THENCE EAST, A DISTANCE OF 20.10 FEET;  
THENCE SOUTH, A DISTANCE OF 6.85 FEET;  
THENCE EAST, A DISTANCE OF 20.21 FEET;  
THENCE SOUTH, A DISTANCE OF 1.66 FEET;  
THENCE EAST, A DISTANCE OF 7.03 FEET;  
THENCE SOUTH, A DISTANCE OF 2.89 FEET;  
THENCE EAST, A DISTANCE OF 12.16 FEET;  
THENCE NORTH, A DISTANCE OF 2.10 FEET;  
THENCE EAST, A DISTANCE OF 12.66 FEET;  
THENCE SOUTH, A DISTANCE OF 2.90 FEET;  
THENCE EAST, A DISTANCE OF 8.02 FEET;  
THENCE NORTH, A DISTANCE OF 5.38 FEET;  
THENCE EAST, A DISTANCE OF 12.38 FEET;  
THENCE SOUTH, A DISTANCE OF 85.50 FEET  
TO THE POINT OF BEGINNING;

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ALSO EXCEPTING THAT PART WHICH LIES ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +15.35 FEET AND BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +27.46 FEET, CHICAGO CITY DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF LOT 8; THENCE EASTERLY ALONG THE SOUTH LINE OF SAID LOT, A DISTANCE OF 1.10 FEET; THENCE NORTHERLY PERPENDICULAR TO SAID SOUTH LINE, A DISTANCE OF 1.44 FEET TO THE POINT OF BEGINNING;

THENCE NORTH, A DISTANCE OF 163.54 FEET;  
THENCE EAST, A DISTANCE OF 55.77 FEET;  
THENCE SOUTH, A DISTANCE OF 142.71 FEET;  
THENCE EAST, A DISTANCE OF 19.13 FEET;  
THENCE SOUTH, A DISTANCE OF 20.83 FEET;  
THENCE WEST, A DISTANCE OF 74.90 FEET;

TO THE POINT OF BEGINNING), ALL IN BLOCK 50 IN SCHOOL SECTION ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

THAT PART OF LOTS 5, 6, 7 AND 8 WHICH LIES ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +28.04 FEET AND BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +41.14 FEET, CHICAGO CITY DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF LOT 5; THENCE NORTHERLY ALONG THE EAST LINE OF SAID LOT, A DISTANCE OF 110.25 FEET; THENCE WESTERLY PERPENDICULAR TO SAID EAST LINE, A DISTANCE OF 1.61 FEET TO THE POINT OF BEGINNING;

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ALSO THAT PART OF SUCH LOTS WHICH LIES ABOVE A HORIZONTAL PLANE HAVING AN ELEVATION OF +28.04 FEET AND BELOW A HORIZONTAL PLANE HAVING AN ELEVATION OF +41.14 FEET, CHICAGO CITY DATUM, BOUNDED AND DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF LOT 5; THENCE NORTHERLY ALONG THE EAST LINE OF SAID LOT, A DISTANCE OF 1.30 FEET; THENCE WESTERLY PERPENDICULAR TO SAID EAST LINE, A DISTANCE OF 3.37 FEET TO THE POINT OF BEGINNING;

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THENCE SOUTH, A DISTANCE OF 20.83 FEET;  
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TO THE POINT OF BEGINNING), ALL IN BLOCK 50 IN SCHOOL SECTION  
ADDITION TO CHICAGO IN SECTION 16, TOWNSHIP 39 NORTH, RANGE 14 EAST  
OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

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**APPRAISAL REPORT**

**Of**

**The Metropolitan Place Condominium  
Ground & First Floor  
130 South Canal Street  
Chicago, Cook County, Illinois.**

**As Of**

**April 15, 1997**

**For**

**Ms. Georgia Petropoulos  
Everest Partners  
333 West Wacker Drive, Suite 1710  
Chicago, Illinois 60606**

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30338137

May 15, 1997

Ms. Georgia Petropoulos  
Everest Partners  
333 West Wacker Drive, Suite 1710  
Chicago, Illinois 60606

RE: The Metropolitan Place Condominium, 130 South Canal Street, Ground & First Floor, Chicago,  
Cook County, Illinois

Dear Ms. Petropoulos:

In accordance with your request, we have made a complete inspection of the above-referenced property for the purpose of estimating the market value of the fee simple estate to assist in planning purposes.

Attached to this letter, you will find a Summary Appraisal Report which identifies the property rights analyzed, defines value, and summarizes our conclusions. The report is presented in a summary format, but has been based upon a complete appraisal process.

This letter, the attached certification and the attached assumptions and limiting conditions set forth all of the terms (imposed by the assignment or by the undersigned) affecting the analyses, opinions and conclusions.

Thank you for the opportunity to be of service. Please feel free to call should have any questions or comments.

Respectfully,

APPRAISAL RESEARCH COUNSELORS, LTD.

James K. Kutill, Vice President  
Illinois Certified Real Estate Appraiser, No. 153-00280  
Expires 09/97

JKK:jkk  
Enclosure  
(1-4190d.sum)

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## CERTIFICATION

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We certify that, to the best of our knowledge and belief: The statements of fact contained in this report are true and correct. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions and conclusions. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan. We are experienced and competent in appraising this property type.

To the best of our knowledge and belief, the reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of (1) the Uniform Standards of Professional Appraisal Practice (USPAP) and (2) the code of Professional Ethics and Standards of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. With the addition of an as-is value the report would be in full compliance with the minimum appraisal standards effective June 7, 1994 under title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989.

The use of this report is subject to the requirements of the Appraisal Institute relating to its review by duly authorized representatives. As of the date of this report, Eugene W. Stunard, MAI, Ronald DeVries, SRA, and Gail Lippman Lissner, SRA, have completed the requirements of the continuing education program of the Appraisal Institute.

James K. Kutill made an inspection of the property. Eugene W. Stunard, MAI, did not inspect the property. In arriving at the analyses, opinions and conclusions contained in this report, Eugene W. Stunard, MAI, and James K. Kutill were consulted and their professional contribution to the analyses, opinions and conclusions contained in this report is hereby acknowledged.

Appraisal Research Counselors, Ltd. Valuation Conclusions			
Appraisal Process/Format	Complete appraisal process presented in a Summary Appraisal Report		
Client/Engagement and Use	Everest Partners / Planning Purposes		
Name/Description	Metropolitan Place Condominium, Ground & First Floor / 1st Floor Commercial Space of a 4 and 7 story Commercial Office Building to be renovated into Residential Units		
Location	130 South Canal Street, Chicago, Cook County, Illinois		
Site Square Feet	60,751 SF	Zoning:	C3-5 - Comm'l / Manu.
Space Square Feet:	Gross: 9,405 (ground) 28,186 (Main 1st) 2,274 (East 1st) 39,865 (Total)	Highest & Best Use:	As Vacant: N/A (Part of an existing building). As Improved: Three Commercial Condominiums.
Valuation Date	April 15, 1997	Report Date	May 15, 1997
Property Rights Appraised	Fee simple	Prior Market Exposure/Market Time	9 to 12 months
Market Value Estimate	SIX MILLION DOLLARS* (\$6,000,000*)		
* Subject To:	As if a single condominium unit. Subject to the completion of the renovation and achievement of stabilized operations. Completion is projected for February, 1999		

Eugene W. Stunard, MAI, President James K. Kutill, Vice President

Illinois Certified Real Estate Appraiser, No. 153-00142

Illinois Certified Real Estate Appraiser, No. 153-00280

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Expires 9/97

Expires 9/97

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Property of Cook County Clerk's Office

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## ASSUMPTIONS AND LIMITING CONDITIONS

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The Certification, and all analyses, opinions and conclusions are expressly subject to the following stipulations:

No responsibility is assumed for matters of a legal nature. It is assumed that title is marketable and that the descriptive legal information furnished is correct. Except as noted, the property is assumed in accordance with applicable local, state and federal ordinances, regulations and laws.

The physical condition of the real estate described herein was based on visual inspection, except as noted. It is assumed that there are no hidden or unapparent conditions that would render the property more or less valuable. Hidden or unapparent conditions include but are not limited to soundness of members, equipment, soil conditions or environmental contamination. No responsibility is assumed for such conditions, their effects or for arranging engineering studies that may be required to discover them.

Any plots, diagrams or drawings presented are only to facilitate and aid the reader and are not meant to be used in matters of survey or for any other purpose.

Any distribution of value applies only as presented or discussed. Value distributions include but are not limited to leased fee and leasehold and land and building allocations. Portions of this report should not be relied upon except in the context of the whole.

All analyses, opinions and conclusions assume responsible ownership and competent management.

No persons signing or identified as contributing to this report shall be required to give testimony or appear in court by reason of this report with reference to the property herein described, unless prior arrangements have been made.

As used herein, report is defined to include both the written version and information contained in our files.

Neither all nor any part of the contents of this report (especially any conclusions, the identity of persons signing or contributing to this report or the firm with which they are connected, or any reference to the Appraisal Institute or to the MAI or SRA designation) shall be disseminated to the public through advertising media, public relations media, news media, sales media or any other public means of communication without prior written consent and approval.

We, however, hereby consent to your referencing this report in your company's financial statements or other required statements, provided that: 1) prior to making such reference in any publication, including any filings with the Securities and Exchange Commission or other governmental agency, we are allowed to review the same so as to insure the accuracy and adequacy of such reference to our report; 2) in our sole discretion such reference is not untrue or misleading and is accurate and adequate for the purposes intended and in light of the circumstances under which it is made; and 3) any reference to such report include the following language:

"In addition to setting forth our analyses, opinions and conclusions, the report dated May 15, 1997 contains a description of the property that is the subject of this assignment; a statement of the various facts, assumptions and conditions upon which the analyses and opinions were based; the conclusion dated as of April 15, 1997, and certain limiting conditions which relate to the report. The portions of the report referred to herein are qualified in their entireties by reference to the complete report, which will be made available upon written request, to any person who has a proper purpose in reviewing the same. The report or portions of the report should not be relied upon except in the context of the whole. The terms of our engagement are such that we have no obligation to update or revise the report or our analyses, opinions and conclusions in any manner because of events or transactions occurring subsequent to the date of the report.

The Americans with Disabilities Act ("ADA") became effective January 26, 1992. We have not made a specific compliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since we have no direct evidence relating to this issue, we did not consider non-compliance with the requirements of the ADA in estimating the value of the property, unless noted otherwise in the scope of the report.

## PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the property described in this report. The renovation is scheduled for completion in February, 1999, however, all indicators are developed as of April, 1997.

## USE OF THE APPRAISAL

This report is prepared for use by the client to whom the report is addressed for planning purposes to help establish percentage of ownership for the Metropolitan Place Condominium residential/commercial condominium complex. As such, the emphasis of our assignment has been the market value of the space after the completion of the renovation and occupancy of the building and the establishment of the condominium association.

## FIRREA REGULATIONS

All appraisals for federally regulated transactions must conform to the minimum appraisal standards under Title XI of the Financial Institutions Reform, Recovery and Enforcement Act (FIRREA) of 1989, effective June 7, 1994. The five minimum standards are:

1. Conform to generally accepted appraisal standards as evidenced by USPAP unless principles of safe and sound banking require compliance with stricter standards
2. Be written and contain sufficient information and analysis to support the institution's decision to engage in the transaction
3. Analyze and report appropriate deductions and discounts for proposed construction or renovation, partially leased buildings, non-market lease terms, and tract developments with unsold units
4. Be based upon the definition of market value as set forth in the regulation
5. Be performed by State licensed or certified appraisers

FIRREA requires an estimate of as-is value, and the report must be ordered by and addressed to a Federally regulated lender. This appraisal meets or exceeds the minimum standards set forth under FIRREA in all other respects.

## PROPERTY RIGHTS APPRAISED

The property has been appraised in fee simple interest which is defined as absolute ownership unencumbered by any other interest or estate subject only to the four powers of government. (Source: The Dictionary of Real Estate Appraisal, 2nd Edition).

## SCOPE OF THE APPRAISAL

An inspection of the property was completed.

A partial set of plans by Pappageorge Haymes Ltd., job no. 960764, dated March 27, 1997 was made available. In addition they were checked against the Sidwell Plat and legal description. We

also relied on information provided by property representatives regarding some of the physical characteristics of the property.

In developing comparable data (land, improved & rental) an comprehensive search was completed. The following data sources were researched:

- \* Visual inspection of the immediate market area
- \* Brokers active in the local market
- \* Multiple Listing Service of Northern Illinois
- \* Chicago Real Estate Source
- \* TRW/REDI - public records database
- \* COMPS, Inc.
- \* Previous assignments where information was not confidential

Only those data considered truly comparable were retained, confirmed with a broker, owner or public records and used as part of this analysis. Each of the sources and persons interviewed are indicated on the respective data sheets and/or recapitulation of data tables throughout the report.

The appraisal process was complete. The appraisal report is summarized.

## IDENTIFICATION OF THE PROPERTY

Maps, plot plan and photographs on the following pages will visually acquaint the reader with the property appraised, its location, environs, size, and shape of the land and improvements and other details.

The subject property is identified on the exhibits by an arrow and/or dotted line.

## DEFINITION OF MARKET VALUE

Implementation rules of the five (5) agencies (plus RTC) governed under Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA) define market value as:

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are typically motivated;
- (2) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (3) A reasonable time is allowed for exposure in the open market;
- (4) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale."

## REASONABLE MARKET EXPOSURE

According to the Statement on Appraisal Standards of the Appraisal Foundation (SMT No. 6) Reasonable Market Exposure is defined as

"the estimated length of time the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal; a retrospective estimate based upon an analysis of past events assuming a competitive and open market." ... "The reasonable exposure period is a function of price, time and use, not an isolated estimate of time alone." (Appraisal Foundation, SMT-6).

## REASONABLE MARKETING TIME

Reasonable Marketing Time is defined as

"an estimate of the amount of time it might take to sell a property interest in real estate at the estimated market value level during the period immediately after the effective date of an appraisal." ... "The reasonable marketing time is a function of price, time, use and anticipated market conditions...." (Appraisal Foundation Advisory Opinion G-7).

The market exposure period is prior to sale consummation at our value estimate as of the appraisal date. The reasonable exposure time inherent in the market value concept is always presumed to occur prior to the effective date of the appraisal".

## PROSPECTIVE VALUE

The Appraisal Institute defines Prospective Value as:

A forecast of value to occur at a specified future date. A prospective value estimate is most frequently utilized in connection with real estate projects that are proposed, under construction, under conversion to a new use, or that have otherwise not achieved sellout or a stabilized level of long-term occupancy at the time the appraisal report is written.

When appropriate, two prospective value estimates are typically salient.

Prospective value at estimated completion of construction; and  
Prospective value at achievement of stabilized occupancy.

## IDENTIFICATION OF THE SUBJECT PROPERTY

30338137

**Name:** Former Florsheim headquarters office building, now known as the Metropolitan Place Condominium.

**Location:** 130 South Canal Street

Chicago, Cook County, Illinois

**Description:**

**As Is:** A part seven/part four story Class C single user office building which was constructed in 1949 with an addition in 1980.

**As Renovated:** The subject building is planned for adaptive reuse as a ten story building consisting of 212 residential condominium units, 182 condominium parking spaces, and ground and first floor retail space.

**Site Area:** 60,751 square feet.

**Subject Gross**

**Saleable Area:**

Ground:	13,112	gross square feet
First:	<u>30,460</u>	gross square feet
Total:	33,865	

**Zoning:** C3-5, Commercial-Manufacturing District.

**Permanent Real Estate**

**Tax Index Numbers:** 17-16-108-027 and 028 (part)

**Legal Description:** The legal description of the entire Metropolitan Place Condominium building property is included on the following page as a separate exhibit.

**Date of Appraisal:** April 15, 1997 As Is / February 1, 1999 Prospective Value

**Date of Report:** May 15, 1997

**LEGAL DESCRIPTION**

According to the Plat of Survey by James, Schaeffer and Schimming, Inc. dated April 23, 1990, the subject property has the following legal description:

Parcel 1:

Lots 5 (except the South 22 feet thereof), 6,7 and 8 in Block 50 in School Section Addition to Chicago in Section 16, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

The South 22 feet of Lot 5 in Block 50 in School Section Addition to Chicago in Section 16, Township 39 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois.

Property of Cook County Clerk's Office

## SUMMARY OF IMPORTANT DATA AND CONCLUSIONS

### Location

130 South Canal Street, Ground and First Floor Commercial Space.  
Chicago, Cook County, Illinois

The subject property is located on the west side of Canal Street, north side of Adams Street, and the east side of Clinton Street. This location is commonly referred to as the West Loop.

### Trends

The West Loop is the portion of Chicago's downtown which extends to the Chicago River and Grand Avenue on the north, Wells Street on the east, Van Buren on the south, and Morgan on the west. This market experienced the greatest amount of new office construction over the past 10 to 12 years. The area was formerly home to industrial lofts, warehouses, and small factories, but the easy availability of these sites, plus the advantages of proximity to the two major commuter railroad stations and to the expressway system, has made the area a prime office location.

The eastern portion of the West Loop includes the Wacker Drive corridor which includes such Class A buildings as the Sears Tower, 311 South Wacker, the Northwestern Atrium, 500 West Monroe, and the Chicago Mercantile Exchange. The western portion of the submarket is comprised of smaller Class B and Class C buildings and converted loft buildings. Small firms and back office operations tend to locate in this area.

This West Loop submarket has the largest amount of office space in the six downtown submarkets of the Loop, with 40.2 million square feet of space and a current reported vacancy rate of 12.2 percent, down from 16.54% at the end of 1995. According to CB Commercial Office Market Report, Fourth Quarter 1996, the West Loop had a net absorption of 1,147,562 SF, the third straight positive absorption year. The vacancy rate has declined from a peak of 24.65% in 1993. It is reported that the Class A market in the West Loop has a vacancy rate below nine percent.

The long term trend for the subject area is considered positive. The area is at the western edge of the Central Business District, within the West Loop office market, and excellent shopping, recreational and cultural facilities are within walking distance. The subject is easily accessible to excellent public and private transportation systems.

While construction has been put on hold in the Loop for the past several years, the long term outlook is considered good. When new commercial development eventually occurs in the West Loop area, it will most likely be along Wacker Drive or Franklin Street, as these are the most desirable locations in the West Loop market and there are several options open to developers along these corridors. The locations west of the Chicago River are secondary locations and will likely be developed after the more centrally located properties east of the river. However, for build to suit activity for a single user we see the west of the river section of the West Loop as the likely location. Lower land values but excellent transportation linkages will draw potential users, such as the recently completed Kent School of Law.

**Neighborhood**

The subject site has an excellent West Loop location, 2.5 blocks east of the Kennedy Expressway which connects to the extensive expressway network connecting the metropolitan area.

The site is situated across the street from Union Station at the southeast corner of Adams and Canal, with the Northwestern Station being located two blocks north at Madison and Canal. CTA buses also run along Adams and Canal Streets, with CTA elevated and subway rapid transit lines within walking distance of the subject property.

While there has not been any new construction of office buildings during the past several years in the West Loop area, there has been substantial redevelopment of loft buildings into residential loft condominiums and rental units in the West Loop area and extending westward to approximately 1200 west. Some of the larger recent developments include several Annie Properties rental buildings (Acorn Lofts, Morgan Town Lofts, and Hale Lofts), Haberdasher Square condominiums at 710-728 West Jackson (227 units), 1000 West Washington condominium lofts (182 units), China Club Lofts at 606 West Fulton (95 units), and 701 West Jackson (46 units). In addition, the 2,500 unit Presidential Towers rental apartment complex is located two blocks northwest of the subject site and is the dominant residential property in the West Loop market.

At the present time, the subject location is generally commercial in nature, surrounded by office buildings and Union Station. However, the strong condominium price levels and rent levels being achieved in the residential loft developments which have taken place to the west along with the Presidential Towers complex confirm that residential development is a viable alternative in the West Loop market.

**Site Description**

The subject site is rectangular in shape with 189.84 feet of frontage on South Clinton Street, 319.98 feet of frontage along West Adams Street and 189.80 feet of frontage along South Canal Street. According to the Plat of Survey by James, Schaeffer and Schimming, Inc. dated April 23, 1990, the site has a total area of 60,751 SF, or 1.395 acres.

The site slopes to the west, with the maximum variation in grade reported to be approximately 10 feet. All public utilities service the site.

The site is accessed from three streets: Clinton, Canal and Adams. Adams is a one way westbound street, with Canal being a one way northbound street, and Clinton being a one way southbound street.

The subject site is located within Zone C as identified by the Federal Emergency Management Agency on the Flood Insurance Rate Map, Community Panel No. 170074-0060B, effective June 1, 1981. Zone C is defined as areas of minimal flooding.

**Environmental**

We were provided with several reports pertaining to environmental issues relating to the subject property. Our value conclusions are subject to no other environmental conditions impacting value. We understand that one of the conditions of the purchase of the property from Florsheim was that all environmental remediation required was the responsibility of the Florsheim.

### Zoning

The subject site is zoned C3-5, Commercial-Manufacturing District. The subject as is does not conform to the zoning due to off-street parking and setback requirements. Virtually all of the buildings in the subject's immediate area violate setback and off-street parking requirements. Therefore, the subject improvements as is are a legal preexisting use. Based upon our understanding of the zoning, the improvements as proposed appear to conform with the zoning ordinance.

### Real Estate Taxes

The subject property's tax numbers are 17-16-108-027 and 17-16-108-028. The 028 parcel had a first installment bill for 1995 (payable 1996) of \$457,813.10 and the bill for the 027 parcel was \$5,782.85, totalling \$463,595.95 for the first installment (or \$927,191.90 annual) which equates to \$2.73 PSF (based upon a gross building area of 339,526 SF).

The preceding was for the building as a whole. Commercial space is assessed at a higher rate than apartments, and since it tends to generate higher rents, it also tends to have a higher assessed value. Therefore, in order to determine market levels, we conducted a survey of surrounding West Loop buildings, and other commercial condominium space. We feel a tax bill of approximately \$5.00 PSF will result after the split into a condominium.

### History

The subject property was purchased from The Florsheim Shoe Company by Everest Partners, L.L.C.. The recorded purchase price was \$7,000,000. With an additional credit for environmental concerns, the total cost is \$8,050,000. The closing date was in March, 1997.

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## Description of the Improvements

**As Is:** The subject site is improved with a part seven story and part four story brick building which occupies the entire subject site. The building was reportedly constructed in 1949 with a second and third floor addition in 1980. The subject property is currently designed as a single user office building.

**As Complete:** The subject property is proposed for conversion as a 212 unit residential condominium development with 182 indoor parking spaces, 9,405 Sf of ground level commercial space on the west side of the building and 30,460 SF of first floor retail space on the east and south sides of the building. Floors 3 and 4 which were added in 1980 will be demolished. Additional floors will be added to the roof so that the building will become a 10 story building.

Floors 2 through 6 will each consist of 26 units which will have exposed brick, exposed concrete, and loft finishes. Floors 7 and 8 will also contain the same 26 unit layouts per floor; however, these units will have finished dry wall construction; thus, although the layouts are the same, these will not be loft style units. Floors 9 and 10 will contain a total of 30 penthouse units, with 12 duplex units and 18 single level units.

Units in the building will range from 759 to 2,516 SF, with a total of 263,125 SF, or an average unit size of 1,241 SF. The average unit size for the typical floors (2-8) will be 1,166 SF and the average unit size for the penthouse units (floors 9 & 10) will be 1,697 SF. The remainder of the ground and first floor will be a two level self park parking garage.

The subject space is in three main blocks. On the west end of the building is a ground floor space of 9,405 square feet. On the east side of the building, on the street level first floor, will be a 28,186 square foot main space that is oriented toward the south and east sides of the building. In addition, on the east side of the building, north of the residential lobby, is a separate 2,274 square foot space. Total commercial condominium space is 39,865 square feet.

The commercial space sizes are based on scaling by ARC of drawings by Pappageorge Haymes, Ltd., job no. 960764, dated March 27, 1997.

## Highest and Best Use

**As vacant:** Hold for potential future development.

**As improved:** Adaptive reuse as a condominium building with residential units, condominium parking spaces, and ground/first floor retail space.

## Market Exposure Parameters

The market exposure period is prior to sale consummation at our value estimate as of the appraisal date. The prior exposure period is estimated at 6 to 12 months.

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## Marketing Time Parameters

A current (as of the valuation date) marketing time is 6 to 12 months, concluding in the sale of the subject property at a prospective price consistent with the value indicated, adjusted for general inflationary trends.

## APPROACHES TO VALUE:

Cost Approach:	not applicable
Sales Comparison Approach:	\$5,800,000 to 6,400,000*.
Income Capitalization Approach:	\$6,000,000*

## FINAL ESTIMATE OF VALUE:

\$6,000,000\*

\* As if a single condominium unit. Subject to the completion of the renovation and achievement of stabilized operations.

DATE OF VALUE ESTIMATE: April 15, 1997

## ALLOCATION:

land:	\$ 0
improvements:	6,000,000*
personal prop.:	<u>0</u>
Total:	\$6,000,000*

## VALUATION OF THE PROPERTY - THE APPRAISAL PROCESS

30338137

In appraising the subject property, an orderly set of steps were followed leading to a final conclusion of value.

There are three classic approaches that are normally used by appraisers in the estimation of market value. These three approaches are the Cost Approach, the Sales Comparison Approach and the Income Capitalization Approach.

The Cost Approach has as its premise land valuation by comparison with other sites in the area that have recently sold; making adjustments for differences in property rights conveyed, financing terms, conditions of sale, date of sale, location, physical and economic characteristics, use and any non-realty components included in the sale transaction. Physical characteristics include shape, size, access, utilities, etc. The cost to reproduce or replace the improvements, less any loss of value (depreciation) due to physical deterioration, functional or external obsolescence is then estimated and added to the land value, indicating a total value estimate for the property.

The Sales Comparison Approach has as its premise the comparing of a property as a whole with other properties of similar design, utility and use that have sold in the recent past. Adjustments are made for property rights conveyed, financing terms, conditions of sale, date of sale, location, physical and economic characteristics, use and any non-realty components included in the sale transaction.

The sales are analyzed based on units of comparison. For most properties, a price per square foot is useful. For retail properties, an overall capitalization rate and/or net operating income per square foot are also salient. For small investment properties, and properties with consistent expense ratios (i.e. strip centers), a Gross Income Multiplier (GIM) or Effective GIM (EGIM) can also be utilized.

The Income Capitalization Approach, as used for investment properties, has as its premise the capitalization of net operating income, which is defined as gross income, less vacancy and operating expenses. The net income is then capitalized at a rate developed via one or more methods from the marketplace. In order to properly analyze certain income characteristics, Discounted Cash Flow (DCF) analysis is often utilized. Typically, this involves discounting an income stream consisting of both contract rent (usually in the early years) and market rent (usually in the latter years).

The above approaches, while interrelated, are based on different circumstances and normally they will each indicate a different value. After all the factors in each of the approaches have been carefully weighed, the indications of value derived from the approaches are reconciled to arrive at a final value estimate.

**SUMMARY - COST APPROACH**

The Cost Approach is one of the steps in the valuation process. The value indication is derived by a process of estimating land value and adding the cost of the improvements, less accrued depreciation.

The process falls into logical steps:

1. Estimate land value via sales comparison.
2. Estimate the improvement's cost new.
3. Estimate accrued depreciation from all causes.
4. Reconcile the estimate(s) to a conclusion.

In this case the Cost Approach is not felt to be relevant. To perform this approach it would be necessary to estimate the cost for both the subject area, and the entire residential tower which lies above the subject space, and then allocate the value to the subject's portion that is being appraised. This process would be difficult and as a straight allocation, would not take into account the greater value of street level space versus upper floor unless a greater than pro-rata share of the land value was allocated to the subject. Again, this would very difficult to prove, and so the approach is not used.

## SUMMARY - SALES COMPARISON APPROACH

The Sales Comparison Approach to the estimate of value is a process of comparing market data; that is, the prices paid for similar properties, prices asked by owners and offers made by prospective purchasers willing to buy. The market data is not offered as independent evidence of value of the subject property, but rather as some of the transactions taken into consideration in arriving at an opinion of value.

## IMPROVED SALE COMPARABLES

MD No.	Location	Date	Price	#Stories	Square	\$/SF 1st Fl	PIN
Source	Grantor Grantee	Doc #	Cash Eq Prop Rights	Yr Blt	Feet	\$/SF Bldg	Comments
Subj	130 S. Canal St.	N/A	N/A	1	39,865N/A		Proposed to be a single commercial condominium (multi-tenant).
1	111-117 S. Clinton	12/95	\$603,000	2	8,727	\$138.19	17-16-108-002, -003
A&C	Washington Nat. Ins. Co.	95-907713	same	1984		69.10	2 sty. food court
	Rich. & Margo Asta		Fee				
2	138 S. Clinton St.	11/95	600,000	3	9,975	180.45	17-16-107-021
C	ENB Realty	95-829921	same			60.15	1st flr restaurant, upper flrs apts. Vacant at sale.
	Gerald Ronalli		Fee				
3	139 N. Wabash	7/95	5,300,000	2+5	46,896	452.72	17-10-309-003, -010, -011
A&CLW	SSP2, L.P.	95R-433989	same	1987,		113.02	2 sty retail, 5 sty loft.
	Markwell Properties		leased fee	1878			flrs 3-5 vacant, raw.
4	710-12 N. Wells	12/93	\$1,000,000	4	11,200	\$357.14	17-09-209-015
C&E	North Community Bank	93-989527	Same	1890		\$89.29	Ristorante Bar Centro on the 1st floor of bldg.
	Jaal Partners		Fee				
5	412 N. Clark	12/93	\$450,000	3	4,800	\$281.25	17-09-200-019
CE&F	North Community Bank	94-031790	Same	1879		\$93.75	Vacant 1st floor at sale, now renovated for Mambo
	American Natl. Bank, T# 117669-04		Fee				
6	58 E. Walton	09/92	\$1,100,000	3	7,200	\$458.33	17-03-207-038; Purchased
B	Arts International	669582	Same	1904		\$152.78	by an owner
	Alfonso Burdi		Fee				

Sources: A ARC Data Files - B TRW/REDI - C LSR/COMPS - D Chicago RE Source - E Sale Participant - F Other

## Analysis of the Market Data

The comparable data indicate an unadjusted value range of \$60.15 to \$152.78 per square foot of gross building area. To indicate the importance of first floor space in this area, we have also shown the price per square foot of first floor area only. These indicators provide a range of \$138.19 to \$458.33 per square foot of first floor area. Because the subject will be a commercial condominium, and will not control its site, we adjust for the value of the underlying land.

## Adjusted Prices Per Square Foot of Building Area

Subtracting the land value results in a value per square foot for the improvements as follows:

MD No	Price Per SF	Site Value	Adjusted Price PSF
1	\$138.19	\$ 75.00	\$ 63.19
2	180.45	75.00	105.45
3	452.72	300.00	152.72
4	357.14	100.00	257.14
5	281.25	150.00	131.25
6	458.35	300.00	158.35

This type of analysis still probably overstates the subject, since the rights in the real estate are greater. The buyers of these buildings could renovate, change facades, add-on, etc., at will, while the subject is part of a larger property.

## ADDITIONAL DATA

As a way of quantifying the adjustment for these additional factors, we do have some commercial condominium data. This is summarized below:

MD No	Location	Sale Size	Sale Price	Price Date	PSF	Use
Subj	130 S. Canal St. Chicago, Illinois	39,865	N/A	N/A	N/A	Retail
1	400 E Randolph Unit 5-6A	6,200	500,000	06/90	81.00	Office
2	155 Harbor Dr Unit 1C8B (Concourse 6)	748	63,500	03/90	84.89	Office
2A	same	748	95,000	Curr. List.	127.01	Office
3	155 Harbor Dr	1,498	125,000	03/96	83.44	Office

Unit 1C8A  
(Concourse 5)

4	1255 N. State	7,260	540,000	11/95	74.38	Retail
5	1212 N. LaSalle	2,000	250,000	06/95	125.00	Retail
6	1000 W. Diversey	6,007	590,000	06/95	98.22	Retail

Property of Cook County Clerk's Office

MD No	Size Location	SF	Sale Price	Price Date	PSF	Use
7	1147 W. Ohio Unit 101	3,600	317,000	04/95	88.06	Office
8	2266 N. Lincoln	1,705	210,000	02/95	123.17	Retail
9	501 N Wells St Unit 501C	1,500*	110,000	02/91	73.00*	Office
10	711 S Dearborn Unit 809	850	105,500	03/90	124.11	Office
11	711 S. Dearborn - 1st - LL	1,500 1,200	325,000	Curr. List.	120.37	Retail
12	711 S. Dearborn - 2nd - LL	2,688 180	328,000	Pending Contract	114.37	Office
13	705 S. Dearborn - 1st	1,450	199,500	Curr. List.	137.59	Retail
14	400 Green Street - 1st Flr	16,315	2,400,000	Curr. List./1996	147.10	Retail
15	411 S Sangamon Unit 2A	1,100	108,000	03/90	98.18	Office
16	345 N Canal 1607	1,055	117,445	03/90	111.32	Office
17	345 N Canal 1308	3,500	300,000	10/90	85.71	Office
18	1147 W. Ohio Unit 101 Chicago, Illinois	3,600	317,000	4/95	88.06	Office
19	1920 Lincoln Units C1 & C2 Chicago, Illinois	2,000	250,000	11/94	125.00	Office
20	2818 N. Halsted St. Units 1, 2 Chicago, Illinois	7,200	380,000	??	52.78	Retail
21	1155 N. Wells St. Chicago, Illinois	1,200	74,000	9/96	61.67	Retail
22	1170 W. Armitage Chicago, Illinois	1,300	142,500	8/93	109.62	Office

\* Estimated size

Property of Cook County Clerk's Office

Based on the preceding data and analysis, as well as our knowledge, experience and judgement, the indicated value via the Sales Comparison Approach is as follows:

**Conclusion - Sales Comparison Approach**

Based on our analysis, as well as our judgement, experience and knowledge as real estate appraisers, a range of \$145 to \$160 per rentable square foot is indicated.

39,865 SF	@	\$145.00 PSF	\$5,780,425
39,865 SF	@	\$160.00 PSF	\$6,378,400

Say: **\$5,800,000 to \$6,400,000\***

\* As if a single condominium unit. Subject to the completion of the renovation and achievement of stabilized operations.

## SUMMARY - INCOME CAPITALIZATION APPROACH

The subject is proposed for lease to a variety of possible tenants on a net basis. Food service is a possibility along with convenience food mart, coffee shop, dry cleaners, etc. All will have their own street entrances. The spaces can range from less than 750 square feet up to 28,000 square feet.

Our discussions with the leasing agent in charge revealed a range of asking rents of the high 'teens for the west side ground level space. For a large 15,000 square foot or larger user on the east side, the asking rent would approximately \$20 per square foot, while small spaces could go as high as \$35 per square foot.

### Gross Income

Following is a summary of comparable lease data located in our data search:

MD No	Name Location	Start Date	Base Term	SF	Rent PSF	Percentage Rent	Expenses	Condition
1	Brasserie Jo 55-61 W. Hubbard	06/95	10 yrs.	6,968	\$18.75	5% (Yrs. 1-3) 6.0-7.0% (4-10)	Net	New Renov.
2	Magiano's Little Italy 101 W. Grand	01/92	10 yrs.	6,000	\$18.75	5% (Yrs. 1-3) 6.0-7.0% (4-10)	Net	New Renov.
3	Ruth's Chris Steak House 40 W. Hubbard	10/92	10 yrs.	7,150	\$21.00	7%	Net	New Renov.
4	Finkel's Restaurant 548 N. Wells	01/93	10 yrs.	1,000	\$15.00	5-7%	Net	Good
5	Manhattan Building 435 S. Dearborn St.	Curr. List.	5 yrs.	1,156	\$35.00	none	Gross	Good
6	1000 W. Washington	Curr. List.	5 yrs.	30,000	\$15.00- 20.00	neg.	Net	New Renov.
7	852 W. Washington	Curr. List.	neg.	2,500	\$13.00	neg.	Gross	Good
8	16-22 N. Morgan	Curr. List.	neg.	8,000	\$13.00- 15.00	neg.	Mod. Gross	Good
9	Transportation Bldg. 600 S. Dearborn St.							
	White Hen			2,957	\$21.60	none	Net Taxes	Renov.
	Taste of Siam			2,945	13.50	none	\$1.00 tax stop	Renov.
	Gift World			625	17.91	none	net + 15%	Renov.
	Jeff's Gym			2,700	16.50	none	net	Renov.
	Trattoria Peppino			1,300	14.50	none	net taxes	Renov.

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Sources: Compiled by Appraisal Research Counselors, Ltd. from ARC Data Files, brokers and market participants.

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**Conclusion - Market Rental**

The preceding market data indicate initial rents from \$13.00 to \$35.00 per square foot, on both a gross and net basis. The point to this table is that the markets in West Loop, Printer's Row and River North markets are wide-ranging. In general, first floor space does get a premium over upper floor space, or space at the rear of the first floor. Prime restaurant space can command strong premiums. We do not consider the subject's space to be prime restaurant space, but rather a good location. Similarly, Printer's Row is not the entertainment and restaurant district that River North is.

The subject does have its location across from Union Station going for it, and the additional foot traffic of the Kent School of Law, Presidential Towers apartments and the office towers around it. However, the area is still not a densely developed area with a true twenty-four hour population. The 130 S. Canal residential development will be a step toward that level. In the near future, the area will be dominated by the office workers and train station commuters. The Transportation Building has shown that it is possible to get a \$20 gross rent with only local residents as demand generators. Converted to net rents, the rents would be \$13 to \$16, with the largest space just under 3,000 square feet. Similarly, we have a body of data from the Loop that can show upwards of \$50 to \$60 in rents for small store spaces on the State Street or LaSalle Street Corridors. The subject is not ready for the Loop levels. However, it does have better traffic flow now than Printer's Row, with the near term potential for more. The subject, even with its greater amount of space and greater spaces sizes, should be able to generate similar rent levels.

Based on the above data, adjustments, and our experience and knowledge with the markets involved, we conclude a net rental rate for the space of \$17.00 for the western section on Clinton Street. The main space can be subdivided into small stores, and we see some subdivision required to stimulate market activity. However, the space does not layout as a series of 1,000 to 1,500 square foot spaces.

We see one anchor space at the southeast corner of the building, or possibly wrapping around a small corner kiosk type shop. The space on the south side of the building would probably split off. Similarly, a space on the south side of the residential lobby, facing east, appears reasonable. The small space on the north side of the residential lobby is a good marketable size.

This results in a mix of one 20,000 SF space, a 2,274 Sf northern space, from two to four units facing east and south totalling 8,186 square feet, and a space of 9,405 square feet that would likely be divided into two or three spaces.

We conclude the following market net rent schedule for these spaces:

Ground Space:	9,405 SF @	\$17.00	PSF:	\$159,885
Main First Floor:	20,000 SF @	19.00	PSF:	380,000
Side First Floor:	8,186 SF @	24.00	PSF:	196,464
North First Floor:	2,274 SF @	24.00	PSF:	54,576
Total:	39,865 SF @	\$19.84	PSF:	\$790,925

**Vacancy & Collection Loss & Expenses**

The subject space is part of a larger building to be converted to residential use. Our visual survey of the area showed strong occupancies on most building's first floors. While occupancies are high, rents do not appear to be as high as the River North area. Again, traffic is lower here, with commuters and office workers the main supporters of retailers. We feel the subject can maintain a ninety percent or better occupancy rate, even with a high percentage of its space in the volatile restaurant tenants, as long as asking rents do not push the upper end of the market.

The subject is projected to lease on a net basis. Our surveys of several areas found a typical tax bill for commercial space to be in the range of \$3.50 PSF in Printer's row, and upwards of \$5.00 to \$7.00 in other areas. We feel the subject should fall toward the \$5.00 point.

Operating expenses should be much less than average for loft buildings since an elevator will not be part of the commercial space, and only minimal common areas need be maintained. Based on a review of the operating results from our surveys, BOMA published standards, and other expense comparables from past assignments, we stabilize operating expenses at \$2.50 per rentable square foot.

In this instance, since the space is projected to lease on a net basis, the only operating expenses will be the leakage of pass-thru expenses against the vacancy and collection loss allowance as well as a modest management fee and reserves.

**Capitalization**

Generally, capitalization rates have increased from the levels of the more active markets of the 1980's. Based on our surveys of the market of alternative investor returns, sales of suburban and downtown retail properties, as well as our knowledge of the markets involved, a range of capitalization rates of 10.50 to 11.00 percent is considered appropriate.

**Conclusion - Income Capitalization Approach**

Rentable Area:	39,865 SF @	\$19.84	PSF:	\$ 790,925
<u>Less: Vacancy &amp; Collection Loss (10%):</u>			<u>\$ 79,093</u>	
Effective Gross Income:				\$ 711,832
<u>Less: Operating Expenses:</u>				
Real Estate Taxes:	\$5.00	PSF:		\$ 19,933
Common Area Maintenance:	2.50	PSF:		9,966
Management Fee:	4.0%			28,473
Reserves:	.15	PSF:		<u>5,980</u>
Total Expenses:				\$ 64,352

Total Expenses:	\$ 64,352	
Net Operating Income:	\$ 647,480	
Capitalization:	<u>1 0.11</u>	<u>1 0.105</u>
Value Indications:	\$5,886,184	\$6,166,478
<b>INDICATED VALUE VIA THE INCOME CAPITALIZATION APPROACH:</b>	<b>\$6,000,000*</b>	

\* As if a single condominium unit. Subject to the completion of the renovation and achievement of stabilized operations.

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## PERCENTAGE OF OWNERSHIP

As an addendum, we have been asked to estimate the percentage of ownership the commercial space would have. We have been furnished with the sum of the retail values (Gross Sellout) of the residential units (\$43,087,400). This would imply a split of the two segments as follows:

Residential:	\$43,087,400	87.78%
Commercial:	<u>6,000,000</u>	<u>12.22%</u>
	\$49,087,400	100.00%

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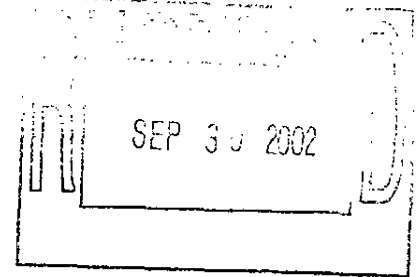
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Metropolitan Place

September 20, 2002

Norm Katz  
130 South Canal Limited Partnership  
c/o Everest Partners  
Suite 222  
350 West Hubbard Street  
Chicago, Illinois 60610



Dear Mr. Katz:

In accordance with the Reciprocal Easement Agreement, attached are copies of the 1999, 2000 and 2001 audits listing total expenses for the Metropolitan Place Condominium Association.

Per Article 4 of the Agreement, the Owner of the Retail Property is responsible for 7.38% of specified expenses. These expenses have been marked with an asterisk (\*) on the audit copies and a summary follows:

<u>YEAR</u>	<u>EXPENSES</u>	<u>TOTAL % DUE</u>	<u>AMOUNT PAID</u>	<u>DIFFERENCE</u>
1999	\$ 421,693	\$ 31,120.95	\$ 31,800.00	\$ (679.05)
2000	\$ 511,578	\$ 37,754.46	\$ 35,807.76	1,946.70
2001	\$ 516,510	\$ 38,118.44	\$ 35,396.69	<u>2,721.75</u>
				\$ 3,989.40

The amount you have already paid has been credited against the percentage of the final expenses. The amount due (\$ 3,989.40) will be billed on the November 2002 statement.

Please note that legal fees have not been included for the last few years because most of them were directly attributed to specific unit owners. As of January 2003 your monthly payments will include general legal fees. These will be segregated from unit owner charge-backs.

If you have any questions, please do not hesitate to contact the management office.

Sincerely,

Gerry Lynne Jens  
Property Manager  
As Agent for Metropolitan Place Condominium Association

Enclosures

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## METROPOLITAN PLACE CONDOMINIUM ASSOCIATION STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCES YEAR ENDING DECEMBER 31, 2001

	Operating Fund	Replacement Fund	Total	(Unaudited) Budgeted
<b>REVENUE</b>				
Member Assessments	\$ 624,647	\$	\$ 624,647	\$ 624,648
Late Fees/Other	24,585		24,585	7,000
Parking	167,500		167,500	158,200
Rent	26,547		26,547	31,800
Interest/Dividends		3,459	3,459	4,000
Holiday Fund	16,660		16,660	0
<b>TOTAL REVENUE</b>	<b>\$ 859,939</b>	<b>\$ 3,459</b>	<b>\$ 863,398</b>	<b>\$ 825,648</b>
<b>EXPENSE</b>				
Cable	\$ 2,137	\$ 0	\$ 2,137	\$ 0
Payroll	270,045	0	270,045 *	271,000
Gas	140,926	0	140,926	125,000
Water	17,622	0	17,622 *	17,500
Electricity	94,397	0	94,397	75,000
Insurance	26,423	0	26,423 *	34,000
Telephone	6,153	0	6,153 *	6,000
Scavenger	9,227	0	9,227	14,400
Exterminator	820	0	820 *	1,000
Fees and Permits	19,960	0	19,960 *	12,000
Legal	23,744	0	23,744	10,000
Management	36,000	0	36,000 *	36,000
Audit	4,000	0	4,000 *	4,000
Plant Rental	0	0	0 *	1,000
Income Tax	313	0	313	0
Payroll Taxes	24,375	0	24,375 *	26,000
Workers Compensation Ins.	7,428	0	7,428 *	0
Window Washing	0	0	0 *	10,000
Employee Benefits	40,214	0	40,214 *	31,500
Uniforms/Laundry	5,633	0	5,633 *	2,000
Repairs and Maintenance	24,772	0	24,772 *	10,000
Other Services	1,360	0	1,360 *	0
Landscaping	4,536	0	4,536 *	5,000
Snow Removal	0	0	0 *	2,000
Boiler/HVAC	8,991	0	8,991	5,000
Office Expense	6,695	0	6,695 *	2,500
Building Supplies	10,552	0	10,552 *	18,000
Elevator	20,896	0	20,896	18,000
Miscellaneous	9,922	0	9,922 *	8,500
<b>TOTAL EXPENSE</b>	<b>\$ 817,141</b>	<b>\$ 0</b>	<b>\$ 817,141</b>	<b>\$ 745,400</b>
<b>NET REVENUE (EXPENSE)</b>	<b>\$ 42,798</b>	<b>\$ 3,459</b>	<b>\$ 46,257</b>	<b>\$ 80,248</b>
<b>BEGINNING FUND BALANCES</b>	<b>&lt;22,866&gt;</b>	<b>114,395</b>	<b>91,529</b>	<b>* \$ 516,510</b>
<b>TRANSFERS</b>	<b>18,000</b>	<b>&lt;18,000&gt;</b>	<b>0</b>	<b>% 7.38</b>
<b>ENDING FUND BALANCES</b>				
<b>&lt;DEFICIT&gt;</b>	<b>\$ 37,932</b>	<b>\$ 99,854</b>	<b>\$ 137,786</b>	<b>\$ 38,118.44</b>

The accompanying notes are an integral part of these statements.

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**METROPOLITAN PLACE CONDOMINIUM ASSOCIATION**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCES**  
**YEAR ENDING DECEMBER 31, 2000**

30338137

	Operating Fund	Replacement Fund	Total	(Unaudited) Budgeted
<b>REVENUE</b>				
Member Assessments	\$ 567,862	\$ 0	\$ 567,862	\$ 567,862
Late Fees/Other	6,935	0	6,935	13,000
Parking	156,736	0	156,736	158,200
Rent	31,800	0	31,800	31,800
Interest/Dividends	112	3,439	3,551	4,000
Holiday Fund	15,988	0	15,988	0
<b>TOTAL REVENUE</b>	<b>\$ 779,433</b>	<b>\$ 3,439</b>	<b>\$ 782,872</b>	<b>\$ 774,862</b>
<b>EXPENSE</b>				
Cable	\$ 5,444	\$	\$ 5,444	\$ 0
Payroll	267,891		267,891*	261,200
Gas	100,168		100,168	101,700
Water	17,315		17,315*	20,200
Electricity	94,693		94,693	73,757
Insurance	24,636		24,636*	28,000
Telephone	6,448		6,448*	6,000
Scavenger	14,929		14,929	6,000
Exterminator	883		883*	1,800
Fees and Permits	1,040		1,040*	12,000
Legal	21,372		21,372	10,000
Management	36,000		36,000*	36,000
Audit	5,100		5,100*	4,500
Plant Rental	5,314		5,314*	4,000
Income Tax	120		120	0
Payroll Taxes	24,311		24,311*	32,000
Workers Compensation Ins.	5,966		5,966*	5,000
Window Washing	0		0*	10,000
Employee Benefits	31,603		31,603*	31,500
Uniforms/Laundry	2,226		2,226*	2,000
Repairs and Maintenance	37,228		37,228*	18,500
Other Services	12,876		12,876*	0
Landscaping	3,770		3,770*	5,000
Snow Removal	1,775		1,775*	1,000
Boiler/HVAC	4,737		4,737	5,000
Office Expense	9,551		9,551*	5,500
Building Supplies	14,879		14,879*	18,000
Elevator	20,084		20,084	12,000
Miscellaneous	2,766		2,766*	1,000
<b>TOTAL EXPENSE</b>	<b>\$ 773,125</b>	<b>\$ 0</b>	<b>\$ 773,125</b>	<b>\$ 711,657</b>
<b>NET REVENUE (EXPENSE)</b>	<b>\$ 6,308</b>	<b>\$ 3,439</b>	<b>\$ 9,747</b>	<b>\$ 63,205</b>
<b>BEGINNING FUND BALANCES</b>	<b>&lt;29,174&gt;</b>	<b>106,527</b>	<b>77,353</b>	<b>*\$ 511,578</b>
<b>TWO MONTH REPLACEMENT CONTRIBUTION</b>	<b>0</b>	<b>4,429</b>	<b>4,429</b>	<b>% 7.38</b>
<b>ENDING FUND BALANCES</b>				
<b>&lt;DEFICIT&gt;</b>	<b>\$ &lt;22,866&gt;</b>	<b>\$ 114,395</b>	<b>\$ 91,529</b>	<b>\$ 377,544.46</b>

The accompanying notes are an integral part of these statements.

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## STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN FUND BALANCES

TEN MONTHS ENDING DECEMBER 31, 1999

30338137

	Operating Fund	Replacement Fund	Total	(Unaudited) Budgeted
<b>REVENUE</b>				
Member Assessments	\$ 480,550	\$	\$ 480,550	\$ 482,980
Late Fees/Other	477		477	7,500
Parking	80,022		80,022	90,400
Interest/Dividends	9	1,097	1,106	3,330
Holiday Fund	10,341		10,341	0
<b>TOTAL REVENUE</b>	<b>\$ 571,399</b>	<b>\$ 1,097</b>	<b>\$ 572,496</b>	<b>\$ 584,210</b>
<b>EXPENSE</b>				
Building Security	\$ 27,081	\$	\$ 27,081	\$
Payroll	211,527		211,527*	166,670
Gas	70,632		70,632	84,750
Water	6,303		6,303*	16,830
Electricity	61,670		61,670	61,460
Insurance	17,810		17,810*	23,330
Telephone	7,519		7,519*	5,000
Scavenger	4,702		4,702	5,000
Exterminator	1,590		1,590*	1,500
Fees and Permits	11,131		11,131*	10,000
Legal	2,292		2,292	830
Management	30,000		30,000*	30,000
Audit	5,000		5,000*	2,500
Plant Rental	3,809		3,809*	2,080
Payroll Taxes	21,942		21,942*	24,170
Workers Compensation Ins.	3,740		3,740*	4,170
Window Washing	6,124		6,124*	7,000
Employee Benefits	13,601		13,601*	25,000
Uniforms/Laundry	3,410		3,410*	4,170
Repairs and Maintenance	23,629		23,629*	18,750
Other Services	1,906		1,906*	20,830
Landscaping	13,545		13,545*	9,170
Snow Removal	2,008		2,008*	2,670
Boiler/HVAC	1,668		1,668	9,580
Office Expense	10,454		10,454*	6,250
Building Supplies	23,475		23,475*	8,330
Elevator	10,835		10,835	10,000
Miscellaneous	3,170		3,170*	3,330
<b>TOTAL EXPENSE</b>	<b>\$ 600,573</b>	<b>\$ 0</b>	<b>\$ 600,573</b>	<b>\$ 563,370</b>
<b>NET REVENUE (EXPENSE)</b>	<b>\$ &lt;29,174&gt;</b>	<b>\$ 1,097</b>	<b>\$ &lt;28,077&gt;</b>	<b>\$ 20,840</b>

BEGINNING FUND BALANCES

0

0

0

\* \$ 421,693

2 MONTH REPLACEMENT  
CONTRIBUTION

0

105,430

105,430

%

7.38

ENDING FUND BALANCES  
<DEFICIT>

\$ &lt;29,174&gt;

\$ 106,527

\$ 77,353

\$ 31,120.95

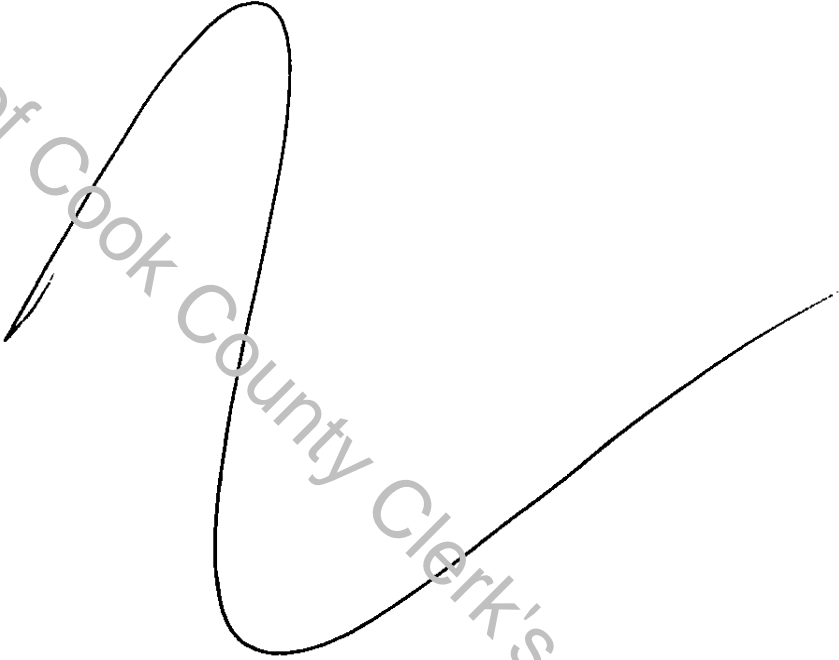
The accompanying notes are an integral part of these statements.

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**EXHIBIT D**  
**SIGNAGE STANDARD**

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## EXHIBIT D

### DESIGN CRITERIA FOR TENANT SIGNAGE

#### Canal Street Tenant Signage

##### 1. Intent

The following Design Criteria shall govern the design, construction, installation, and maintenance for all tenant signage at any time in conjunction with the provisions of the Lease Terms. No sign, advertisement, notice, lettering, writing, placard or similar device shall be installed, exhibited, inscribed, painted, affixed or attached on any part of the Building or Tenant's space, interior or exterior, except as expressly permitted herein. Symbols, designs, names, marks and insignia adopted by the Landlord for Metropolitan Place shall not be used by the Tenant without prior written approval from the Landlord. Landlord reserves the right from time to time to revise the following sign criteria as Landlord in its sole judgment deems fit. Landlord's interpretation of the following sign criteria shall be final and controlling.

##### 2. General Requirements

Canal Street Tenant Signage shall apply only to Tenant's and stores having space at the **First Floor** only along Canal Street and shall apply to the Easternmost 75 feet of frontage along Adams Street. Tenant shall identify its space by signage designed, constructed, installed and maintained at Tenant's sole expense. All signage shall be utilized for store identification purposes only. Identification signs shall be required for all stores. Such identification signs shall be as follows:

- A. Signage shall be located in accordance with Building Standards for Tenant Signage and as further required hereafter. The requirements and limitations for signage set forth hereafter shall in no way alter or relieve the Tenant's responsibility to comply fully with all Codes, Ordinances and Accessibility regulations.
- B. Exterior Signage - For each tenant with a storefront of two or more bays, exterior identification signage may be installed on the exterior vertical surface of the building above the structure. All points of attachment shall be below the line of the bottom of the second floor structure (i.e. 13'-0" above tenant's finished floor). The signage shall consist of letters no higher than 36". The sign shall consist of rear illuminated individually fabricated clear anodized aluminum letters with translucent glass or poly-carbonated face. Letters shall be surface mounted and securely anchored to building structure. Projection of letters shall be subject to the requirements of the City of Chicago Zoning Ordinance. Electrical means, methods and materials are subject to the City of Chicago Electrical Code regulations. Length of the sign shall not exceed 68% of the total width of the two bays below the signage. Letter style shall be non-script, non-serif. A tenant occupying space with two facades shall be entitled to two signs, one on each facade.

## Canal Street Tenant Signage (continued)

- C. Interior Signage - Identification signage shall be installed on the vertical surface of the Ceiling soffit immediately behind the storefront glazing system. The sign shall consist of 14" high, rear illuminated or non-illuminated individually fabricated and surface mounted letters. Capital letters may be 20" high if part of a recognized identification system. Letters shall be located centered in the storefront bay(s) at a uniform height. Length of the sign shall not exceed 80% of the Tenant's bay width. Tenant will be allowed to place one such sign for every two bays of storefront. Letter style shall be non-script, non-serif.
- D. All signage shall be installed with concealed fasteners. All conductors, conduits, wiring, transformers, lamps, equipment and other mechanisms shall be concealed from view. No exposed rear light shall be permitted.
- E. Electricity for signs shall be paid for by the tenant and shall originate from the Tenant electrical panel.
- F. All signs shall be in good taste, shall not detract from the general appearance of the Building and shall not obstruct in any way the view of the Tenant's space from the exterior.

## DESIGN CRITERIA FOR TENANT SIGNAGE

To

### Clinton Street Tenant Signage

#### 1. Intent

The following Design Criteria shall govern the design, construction, installation, and maintenance for all tenant signage at any time in conjunction with the provisions of the Lease Terms. No sign, advertisement, notice, lettering, writing, placard or similar device shall be installed, exhibited, inscribed, painted, affixed or attached on any part of the Building or Tenant's space, interior or exterior, except as expressly permitted herein. Symbols, designs, names, marks and insignia adopted by the Landlord for Metropolitan Place shall not be used by the Tenant without prior written approval from the Landlord. Landlord reserves the right from time to time to revise the following sign criteria as Landlord in its sole judgment deems fit. Landlord's interpretation of the following sign criteria shall be final and controlling.

#### 2. General Requirements

No. of Pages (including this page)

Clinton Street Tenant Signage shall apply only to Tenant's and stores having space at the **Ground Floor** only along Clinton Street and shall apply to the Westernmost 75 feet of frontage along Adams Street. Tenant shall identify its space by signage designed, constructed, installed and maintained at Tenant's sole expense. All signage shall be utilized for store identification purposes only. Identification signs shall be required for all stores. Such identification signs shall be as follows:

- Comments
- A. Signage shall be located in accordance with Building Standards For Tenant Signage and as further required hereafter. The requirements and limitations for signage set forth hereafter shall in no way alter or relieve the Tenant's responsibility to comply with all Codes, Ordinances and Accessibility regulations.
  - B. Exterior Signage - The Exterior Sign shall consist of rear illuminated, individually fabricated and surface mounted aluminum letters with clear anodized aluminum finish. The maximum height of capital letters shall be 30". Primary Sign letters as stipulated by Landlord shall be located centered over storefront bay at a uniform height across the street facade at height to be stipulated by Landlord. When the tenant's space has two frontages, tenant will be permitted to install one sign on each facade. Length of the sign shall not exceed 80% of the Tenant's bay width. Letter style shall be non-script, non-serif, except that Landlord may approve script and serif signage if such type is part of an established business identification system used in other stores. Script and Serif signage will be reviewed by Landlord on a case by case basis and approval of such signage is solely at Landlord's discretion.

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## Clinton Street Tenant Signage (continued)

- C. All signage shall be installed with concealed fasteners. All metal parts of signs including fasteners shall be of a non-corrosive, non-rusting material. All conductors, conduits, wiring, transformers, lamps, equipment and other mechanisms shall be concealed from view and shall be constructed for exterior use. No exposed rear lighting shall be permitted. Code required disconnect switch shall be discrete and shall be finished to match the sign material.
- D. Electricity for the sign shall be paid for by the tenant and shall originate from the Tenant electrical panel.
- E. No other signs at the exterior of the Tenant's space or on the exterior of the Building are permitted.
- F. Interior Signage - All signs located in the interior of the Tenant's space shall be in good taste, shall not detract from the general appearance of the Building and shall not obstruct in any way the view of the Tenant's space from the exterior.
- G. In general, illuminated signs are prohibited within the interior of the Tenant's space, however, certain types of illuminated product signage will be considered on a case by case basis. Such signage shall be approved by Landlord at its sole discretion. Illuminated signage required by law, ordinance, code or regulation is permitted.