



Global Corporate Trust Services
60 Livingston Avenue, EP-MN-WS3C
St. Paul, MN 55107-2292

All of  serving you.™

ITEM: 3.E.

March 2, 2015

Mr. Brock Zeeb
South Bend Redevelopment Authority
1200 County-City Building
227 W. Jefferson
South Bend, IN 46601

Re: South Bend Redevelopment Authority Lease Rental Revenue Bond of 2008 (Eddy Street Commons Project)

Dear Mr. Zeeb:

U.S. Bank is responsible for tracking the receipt of the compliance item(s) for the above account. This letter is being sent in advance of the due date to assist you in providing us with the required documentation in a timely manner.

<u>Item</u>	<u>Document Reference</u>	<u>Due Date</u>
Certification of Replacement Cost of Property	Trust Agreement 6.02(a)	04/01/2015
Annual Officer's Certification	Trust Agreement 5.07(e)	03/31/2015

If the requested item(s) has been sent, you may disregard this letter.

We appreciate your attention to this matter. Please contact me at the telephone number or email address below to discuss any questions or concerns you may have regarding the content of this letter. You may also contact your Account Manager, T. Scott Fesler, at 317-264-2501.

Sincerely,



Jean Edwards
Assistant Vice President
Telephone: 651-466-6291
Facsimile: 651-466-7427
Email: jennifer.edwards2@usbank.com

Account Number: 122418000
Tickler Number(s): 719171 703666

CERTIFICATION OF THE SOUTH BEND REDEVELOPMENT AUTHORITY
CONCERNING INSURANCE AND TAX LIABILITY
EDDY STREET COMMONS PROJECT

The SOUTH BEND REDEVELOPMENT AUTHORITY, owner of Eddy Street Commons Project and appurtenant facilities (hereinafter, the Project) hereby certifies that it carries or has caused to be carried insurance on the Project against physical loss or damage thereto however caused. Public Liability and Property damage insurance, rent or rental value insurance and all other insurance of such type and in such amount and under such conditions as may be required pursuant to the Trust Agreement concerning the Project and the same is on full force and effect.

The SOUTH BEND REDEVELOPMENT AUTHORITY further hereby certifies that it is in compliance with all covenants concerning the payment and discharge of all lawful taxes, charges and assessments levied or assessed upon or against the Project or any part thereof, and such related covenants contained in the Trust Agreement concerning the Project.

Adopted and certified at the regular meeting of the South Bend Redevelopment Authority, held March 18, 2015 at 10:30 a.m. at 1400S County-City Building, South Bend, Indiana 46601.

SOUTH BEND REDEVELOPMENT AUTHORITY

ATTEST:

View Payable 2014 Real Property Master

Tax ID Nbr: 018-5102-357904 **Parcel Number:** 71-09-06-101-006.000-026
Tax Unit: 18 - South Bend - Portage **Tax Rate:** 6.0211000
Owner of Record: Kite Realty Eddy Street Garage LLC **HMCR:** 6.804200
Tax Yr / Pay Yr: 2013 / 2014 **PTRC Bus / Res:** 8.707500 / 8.707500 (incl LOIT PTRC)

Prop Info | Adjacent Props | Appeals/Bank | Assess/Exempt/Ded | **Billing** | Contract | Legal Desc | Mjisc | Names | Oth Assess | Projects | Prop:

	Tax Bill	Adjustments	Balance
Spring Tax:	212,537.54	0.00	212,537.54
Spring Penalty:	0.00	0.00	0.00
Spring Annual:	0.00	0.00	0.00
Fall Tax:	212,537.54	0.00	212,537.54
Fall Penalty:	0.00	0.00	0.00
Fall Annual:	0.00	0.00	0.00
Delq NTS Tax:	0.00	0.00	0.00
Delq NTS Pen:	0.00	0.00	0.00
Delq TS Tax:	0.00	0.00	0.00
Delq TS Pen:	0.00	0.00	0.00
Other Assess:	0.00	0.00	0.00
Advert Fee:	0.00	0.00	0.00
Tax Sale Fee:	0.00	0.00	0.00
NSF Fee:	0.00	0.00	0.00
PTRC:	61,569.15	0.00	61,569.15
HMST Credit:	0.00	0.00	0.00
Circuit Breaker:	220,437.62	0.00	220,437.62
Over 65 CB:	0.00	0.00	0.00

Duplicate Nbr: 13915595

Tax & Penalty:	425,075.08
Other Assess (+):	0.00
Fees (+):	0.00
Subtotal:	425,075.08
Receipts:	425,075.08
Total Due:	0.00
Surplus Transfer:	0.00
Acct Balance:	0.00

Other Receipts: 0.00
Refunds: 0.00

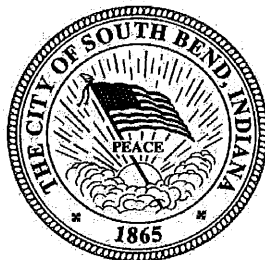
Payment Distribution

Summary | Credit Detail | AA/CEs

Property Billing | Other Assessment Billing | Receipts | Refunds | Surplus Transfers | Billed To

Cancel

227 W. JEFFERSON BLVD., 14TH FLOOR
SOUTH BEND, INDIANA 46601-1830



PHONE (574) 235-9371
FAX (574) 235-9021

CITY OF SOUTH BEND PETE BUTTIGIEG, MAYOR
REDEVELOPMENT AUTHORITY

March 18, 2015

Ms. Jen Edwards
US Bank
Corporate Trust Services
60 Livingston Avenue
EP-MN-WS3C
St. Paul, MN 55107-2292

RE: South Bend Redevelopment Authority Lease Rental Revenue Bond of 2008 (Eddy Street Commons Project)

Dear Ms. Edwards,

Attached please find the following: 1) Eddy Street Commons Insurance Binder for period of March 2, 2015 through June 1, 2015, Showing Building and Infrastructure insured at \$36,000,000.00 and Business Income & Rental Value insured at \$15,000,000.00; 2) the most recent replacement cost estimate by Carl Walker Inc. showing full replacement cost of \$22,100,000.00; and 3) current amortization schedule showing principal of \$32,490,000.00 and interest of \$931,934.00, for a total liability of \$33,421,934.00.

It is our opinion we have satisfied the Certificate of Replacement Cost of Property of Section 6.02a of the trust agreement by providing you with the above information. Please review the attached information. If you require additional information or have any questions, please contact John March at 574-235-5839 or by email Jmarch@southbendin.gov.

Regards,

South Bend Redevelopment Authority

By: _____

Name: _____

Title: _____

RICHARD KLEE
PRESIDENT

ANTHONY FITTS
VICE PRESIDENT

ERIN HANIG
SECRETARY-TREASURER



INSURANCE BINDER

DATE (MM/DD/YYYY)
3/1/2015

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM

AGENCY Gibson Insurance Agency, Inc. 130 S Main St, Ste 400 PO Box 11177 South Bend IN 46601-0177		COMPANY Federal Ins Co	BINDER# B153152217
PHONE (A/C, No, Ext): (800) 814-2122 CODE: 7-35068		FAX (A/C, No): (800) 836-2122 SUB CODE:	THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY #: 35903434
AGENCY CUSTOMER ID: 00003140 INSURED South Bend Redevelopment Authority 1200 N County City Building Dept of Admin & Finance South Bend IN 46601		DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location) Loc# 00001 Eddy Street Commons Parking Garage South Bend, IN	

COVERAGES		LIMITS		
TYPE OF INSURANCE	COVERAGE/FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input type="checkbox"/> SPEC	BI Deductible Flood & EQ, Flood / Earthquake Blanket limit of Insurance Building & Infrastructure, Special form Business Income & Rental Value, Special form	72 25,000 24		500,000 36,000,000 15,000,000
GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$
		DAMAGE TO RENTED PREMISES		\$
		MED EXP (Any one person)		\$
		PERSONAL & ADV INJURY		\$
		GENERAL AGGREGATE		\$
		PRODUCTS - COMP/OP AGG		\$
VEHICLE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	RETRO DATE FOR CLAIMS MADE:	COMBINED SINGLE LIMIT		\$
		BODILY INJURY (Per person)		\$
		BODILY INJURY (Per accident)		\$
		PROPERTY DAMAGE		\$
		MEDICAL PAYMENTS		\$
		PERSONAL INJURY PROT		\$
		UNINSURED MOTORIST		\$
				\$
VEHICLE PHYSICAL DAMAGE DED <input type="checkbox"/> COLLISION: _____ <input type="checkbox"/> OTHER THAN COL: _____	<input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES	ACTUAL CASH VALUE		
		STATED AMOUNT		\$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO	RETRO DATE FOR CLAIMS MADE:	AUTO ONLY - EA ACCIDENT		\$
		OTHER THAN AUTO ONLY:		
		EACH ACCIDENT		\$
		AGGREGATE		\$
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$
		AGGREGATE		\$
		SELF-INSURED RETENTION		\$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY	RETRO DATE FOR CLAIMS MADE:	WC STATUTORY LIMITS		
		E.L. EACH ACCIDENT		\$
		E.L. DISEASE - EA EMPLOYEE		\$
		E.L. DISEASE - POLICY LIMIT		\$
SPECIAL CONDITIONS / OTHER COVERAGES		FEES		\$
		TAXES		\$
		ESTIMATED TOTAL PREMIUM		\$

NAME & ADDRESS		MORTGAGEE	ADDITIONAL INSURED
		LOSS PAYEE	
		LOAN #	
		AUTHORIZED REPRESENTATIVE	
		G Ins Agency/DIANE	<i>Gibson Insurance Agency, Inc.</i>

CONDITIONS

This Company binds the kind(s) of insurance stipulated on the reverse side. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

Applicable in California

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

Applicable in Colorado

With respect to binders issued to renters of residential premises, home owners, condo unit owners and mobile home owners, the insurer has thirty (30) business days, commencing from the effective date of coverage, to evaluate the issuance of the insurance policy.

Applicable in Delaware

The mortgagee or Obligee of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

Applicable in Florida

Except for Auto Insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

Applicable in Maryland

The insurer has 45 business days, commencing from the effective date of coverage to confirm eligibility for coverage under the insurance policy.

Applicable in Michigan

The policy may be cancelled at any time at the request of the insured.

Applicable in Nevada

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

Applicable in the Virgin Islands

This binder is effective for only ninety (90) days. Within thirty (30) days of receipt of this binder, you should request an insurance policy or certificate (if applicable) from your agent and/or insurance company.

ADDITIONAL COVERAGES

Ref #	Description	Coverage Code	Form No.	Edition Date
1	Eddy Street Commons, Flood, 25,000,000	FL		
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			50,000	
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
1	Eddy Street Commons, Earthquake, 25,000,000	EQ		
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
			50,000	
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				
Ref #	Description	Coverage Code	Form No.	Edition Date
Limit 1	Limit 2	Limit 3	Deductible Amount	Deductible Type
Premium				



CERTIFICATE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)
3/1/2015

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

If this certificate is being prepared for a party who has an insurable interest in the property, do not use this form. Use ACORD 27 or ACORD 28.

PRODUCER Gibson Insurance Agency, Inc. 130 S Main St, Ste 400 PO Box 11177 South Bend IN 46601-0177	CONTACT NAME: Diane Davidson
	PHONE (A/C, No, Ext): (800) 814-2122 FAX (A/C, No): (800) 836-2122
	E-MAIL ADDRESS: ddavidson@gibsonins.com
	PRODUCER CUSTOMER ID: 00003140
	INSURER(S) AFFORDING COVERAGE
	NAIC #
INSURED City of South Bend 1200 N County City Building Dept of Admin & Finance South Bend IN 46601	INSURER A: Federal Ins Co 20281
	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

COVERAGES CERTIFICATE NUMBER: 15/16 Eddy Street Prop REVISION NUMBER:

LOCATION OF PREMISES / DESCRIPTION OF PROPERTY (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Loc# 00001: Eddy Street Commons Parking Garage South Bend IN

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	COVERED PROPERTY	LIMITS		
A	<input checked="" type="checkbox"/> PROPERTY	35903434	3/2/2015	3/2/2016	<input checked="" type="checkbox"/> BUILDING	\$ 36,000,000		
	CAUSES OF LOSS				DEDUCTIBLES	<input type="checkbox"/> PERSONAL PROPERTY	\$	
	<input type="checkbox"/> BASIC				BUILDING	<input checked="" type="checkbox"/> BUSINESS INCOME	\$ 15,000,000	
	<input type="checkbox"/> BROAD				CONTENTS	<input checked="" type="checkbox"/> EXTRA EXPENSE	\$ Included	
	<input checked="" type="checkbox"/> SPECIAL					<input checked="" type="checkbox"/> RENTAL VALUE	\$ Included	
	<input checked="" type="checkbox"/> EARTHQUAKE				50,000		<input type="checkbox"/> BLANKET BUILDING	\$
	<input type="checkbox"/> WIND						<input type="checkbox"/> BLANKET PERS PROP	\$
	<input checked="" type="checkbox"/> FLOOD				50,000		<input type="checkbox"/> BLANKET BLDG & PP	\$
			<input checked="" type="checkbox"/> Flood	\$ 25,000,000				
			<input checked="" type="checkbox"/> Earthquake	\$ 25,000,000				
	INLAND MARINE	TYPE OF POLICY			\$			
	CAUSES OF LOSS				\$			
	NAMED PERILS	POLICY NUMBER			\$			
	CRIME				\$			
	TYPE OF POLICY				\$			
	BOILER & MACHINERY / EQUIPMENT BREAKDOWN				\$			
					\$			
					\$			

SPECIAL CONDITIONS / OTHER COVERAGES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
U.S. Bank National Association is named as Mortgagee.

Coverage is written on Replacement Cost basis.

CERTIFICATE HOLDER CANCELLATION

U.S. Bank National Association 10 W Market Street, Suite 1150 Indianapolis, IN 46204	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE <i>Gibson Insurance Agency, Inc.</i> G Ins Agency/DIANE



The following primary features of the garage have been identified which have an impact on the construction cost of the parking garage.

1. Cast-in-place post-tensioned structural system, with 7" thick slabs,
2. Brick façade
3. Basement level
4. 2 hour fire rated construction
5. Foundations consist of spread and strip footings. Retaining wall foundation around perimeter.
6. Mechanical ventilation and sprinklers on each level.
7. Aluminum architectural security grille
8. (2) double elevator banks consisting of (4) total elevators
9. (3) Stair towers, fourth stair between basement level and ground level.
10. Metal pan stairs
11. Painted Hollow Metal doors and Aluminum Storefront with vision glazing.
12. Reinforced masonry bumper walls and steel pipe railings on exterior.
13. Reinforced masonry walls on exterior at adjacent buildings.
14. Cast-in-place concrete bumper walls with barrier cables along interior ramp.
15. Double columns and expansion joint at center of garage
16. Increased first floor clearance.
17. Epoxy coated reinforcement; slabs, column ties, downturned beams top reinforcement and stirrups, upturned beams bottom reinforcement and stirrups.
18. Corrosion inhibitor admixture for beams and slabs.
19. Steel roof deck for stair towers and 4" concrete on composite metal deck for the elevator towers.



REPLACEMENT COST ESTIMATE

Carl Walker's opinion of the Eddy Street Commons Parking Garage (1,253 spaces, 433,295 sf) full replacement cost in current 2012 dollars is as follows:

Demolition Cost	\$ 1,200,000
New Construction Cost	<u>\$20,900,000</u>
Full Replacement Construction Cost	\$22,100,000

The above costs are construction costs and do not include soft costs associated with the demolition and/or construction of the new garage. Soft Costs may include evaluation, current code compliance review, testing, design, etc. We recommend including 10% of the construction cost to account for the associated soft costs.

Soft Costs	\$ 2,210,000
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Eddy Street Commons Garage –
Replacement Cost Estimate
September 5, 2012

LIMITATIONS

In providing estimates of probable construction cost, the City of South Bend (City) understands that the *Carl Walker* has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Consultant's estimates of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Consultant makes no warranty, express or implied, that the actual cost of the Work will not vary from the Consultant's estimate.

Please contact our office if you have any questions.

Very truly yours,
CARL WALKER, INC.

Russell Randall, P.E.
Principal

cc: Michael Ortlieb, *Carl Walker, Inc.*



July 17, 2012
Email: jmarch@southbendin.gov

Mr. John March
Fiscal Officer
Community and Economic Development
City of South Bend
1200 County-City Building
South Bend, IN 46601

RE: Eddy Street Commons Parking Garage – Replacement Cost Estimate
Carl Walker, Inc. Proposal #N1-12-121

Dear Mr. March,

Carl Walker, Inc. is pleased to present this proposal to prepare an estimate of the "full replacement cost" of the Eddy Street Commons Parking Garage in South Bend, IN.

PROJECT UNDERSTANDING & SCOPE

Wilhelm Construction Company completed construction of the 1,253 space parking garage in 2009. The City of South Bend is required to maintain insurance "against physical loss or damage" in amount of "(100%) of the full replacement cost of the project as certified by a registered architect, a registered engineer, or a professional appraisal engineer selected by the Authority".

Carl Walker has been requested to provide an estimate of the full replacement cost, in 2012 dollars, of the parking garage. To provide this replacement cost, **Carl Walker** will...

1. Review the original design drawings to understand project size and details related to cost.
2. Review the Construction Contract to understand the original construction cost presented by Wilhelm.
3. Develop an estimate of full replacement cost based on square foot costs for the following:
 - a. Demolition cost based on historical cost information available to **Carl Walker**.
 - b. New Construction Costs based on:
 - o Original construction costs.
 - o Historical costs of parking structures, both regionally and nationally.
 - o Industry cost database (RS Means).
4. Prepare a letter identifying our opinion of the parking garage full replacement cost.



Community and Economic Development
City of South Bend
Eddy Street Commons Parking Garage –
Replacement Cost Estimate
Carl Walker, Inc. Proposal #NI-12-121

LIMITATIONS

In providing estimates of probable construction cost, the City of South Bend (City) understands that the **Carl Walker** has no control over the cost or availability of labor, equipment or materials, or over market conditions or the Contractor's method of pricing, and that the Consultant's estimates of probable construction costs are made on the basis of the Consultant's professional judgment and experience. The Consultant makes no warranty, express or implied, that the actual cost of the Work will not vary from the Consultant's estimate.

PROPOSED FEE

We propose to provide the above scope of services for a fixed fee of \$3,000, including estimated reimbursable expenses.

We have enclosed the **Carl Walker Standard Terms and Conditions** under which we propose to provide our services. Trusting our proposal as outlined above is acceptable, please sign and return the enclosed copy of this letter to serve as our agreement and as our authorization to proceed.

If you have any questions, please call. Thank you for the opportunity and we look forward to being of service to you.

Very truly yours,
CARL WALKER, INC.

Michael C. Ortlieb
Michael C. Ortlieb, P.E.
Executive Vice President

**ACCEPTED BY:
CITY OF SOUTHBEND**

Signature

Title

Date

Enclosures: *Standard Terms and Conditions*

cc: Ray Smith, **Carl Walker, Inc.**

CARL WALKER, INC.
TERMS AND CONDITIONS

3/1/12

Performance: *Carl Walker, Inc.* and its employees will strive to exercise the degree of skill and care expected by customarily accepted good engineering practices and procedures. No other warranties, expressed or implied, are made with respect to *Carl Walker's* performance, unless agreed to in writing. *Carl Walker* is not a guarantor of the project to which its services are directed, and its responsibility is limited to work performed for the Client. *Carl Walker* is not responsible for acts or omissions of the Client, nor third parties not under its direct control.

Access To Site: Unless otherwise stated, *Carl Walker* will have access to the project site for activities necessary for the performance of the services. *Carl Walker* will take precautions to minimize damage due to these activities, but has not included in the fee the cost of restoration of any resulting damage.

Fees: Fees are accrued on an hourly basis, unless other arrangements are established. No increase in rate for overtime. No charges for travel time of professional staff outside of normal workday unless time is productive. Technicians may charge up to 2 hours on weekdays for travel outside of normal workday, or up to 4 hours per day for travel on weekends. The total fee, if stated, shall be understood to be an estimate, and shall not be exceeded by more than ten percent without written approval of the Client. Where the fee arrangement is to be on an hourly basis, the rates shall be those that prevail at the time services are rendered.

Expenses: Subsistence and out-of-pocket expense incurred for travel, lodging, and meals; reproduction and shipping; etc. Cost + 15%
Company or personal cars - .64/mi Company trucks or vans - .64/mi
Telephone expenses shall be billed at ¼% of labor fees

Equipment Usage: Approximately equal to 1% of the replacement cost per day, subject to adjustment for minimum or extended usage.

Outside Consulting, Testing, or Subcontracted Services: Cost plus 10% if Consultant has at least \$500,000 Professional/General Liability Insurance, otherwise 20%. Consultants' transportation, subsistence, and out-of-pocket expenses plus 15%.

Billings/Payments: Invoices for *Carl Walker's* services shall be submitted, at *Carl Walker's* option, either upon completion of such services or on a monthly basis. Invoices shall be due and payable by the last day of the month following the month when the invoice was mailed. If the invoice is not paid when due, *Carl Walker* may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate the performance of the service. Retainers shall be credited on the final invoice.

Late Payments: Accounts unpaid by the last day of the month following the month when the invoice was mailed will be subject to a monthly service charge of 1% on the then unpaid balance (12% true annual rate). In the event any portion or all of an account remains unpaid 90 days after billing, the Client shall pay all costs of collection, including reasonable attorney's fees.

Storage: Material samples not consumed in our work may be discarded 30 days after submission of the test report unless the Client requests other disposition. Charges may be made, after notification, for extended storage of materials, records, or equipment.

Safety: Field work will be performed only under safe conditions. Charges may be made for safety or security measures required by hazardous job conditions.

Insurance: The primary coverages provided by *Carl Walker* are \$1,000,000 for general liability, \$500,000 for automobile liability, \$500,000 for workers' compensation, and \$1,000,000 for professional liability. Umbrella coverage of \$1,000,000 applies to general and automobile liability only. Coverage is subject to annual renewal.

Indemnification: The Client shall indemnify and hold harmless *Carl Walker* and all of its personnel from and against any and all claims, damages, losses, and expenses (including reasonable attorney's fees) arising out of or resulting from the performance of the services, to the extent that any such claim, damage, loss, or expense is caused by the negligent act, omission, and/or strict liability of the Client, anyone directly or indirectly employed by the Client (except *Carl Walker*), or anyone for whose acts any of them may be liable.

Hazardous Materials: *Carl Walker* shall have no responsibility for the discovery, presence, handling, removal or disposal of or exposure of persons to hazardous materials in any form at the project site, including but not limited to asbestos, asbestos products, polychlorinated biphenyl (PCB) or other toxic substances.

Risk Allocation: In recognition of the relative risks, rewards, and benefits of the project to both the Client and the Firm, the risks have been allocated such that the Client agrees that, to the fullest extent permitted by law, *Carl Walker's* total liability to the Client for any and all injuries, claims, losses, expenses, damages, or claim expenses arising out of this agreement from any cause or causes, shall not exceed *Carl Walker's* fee or \$50,000, whichever is greater. Such causes include, but are not limited to, *Carl Walker's* negligence, errors, omissions, strict liability, or breach of contract or breach of warranty.

Termination of Services: This agreement may be terminated by the Client or *Carl Walker* should the other fail to perform its obligations hereunder. In the event of termination, the Client shall pay *Carl Walker* for all services rendered to the date of termination, all reimbursable expenses, and reimbursable termination expenses.

Ownership of Instruments of Service: All reports, drawings, specifications, CADD files, field data, notes and other documents and instruments prepared by *Carl Walker* as instruments of service shall remain the property of *Carl Walker*. The Client understands that changes or modifications to the documents made by anyone other than *Carl Walker* may result in adverse consequences which *Carl Walker* can neither predict nor control. Therefore, the Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify *Carl Walker* from and against all claims, liabilities, losses, damages, and costs, including, but not limited to, attorney fees arising out of or in any way connected with the modification, misinterpretation, misuse, or reuse by the Client or others of the documents provided by *Carl Walker* under the agreement.

Applicable Laws: Unless otherwise specified, this agreement shall be governed by the laws of the state in which the *Carl Walker* office is located.

Mediation: In an effort to resolve any conflicts that arise during the design or construction of the project or following the completion of the project, the Client and *Carl Walker* agree that all disputes between them arising out of or relating to this agreement shall be submitted to non-binding mediation unless the parties mutually agree otherwise.

Eddy Street Commons Project

Lease Rental Revenue Bonds of 2008

AL# LEASE RENTAL REVENUE BOND 1050-460-37-11
 INTEREST 436-1050-460-37-12

Annual Payment Dates: February 1 and August 1

Original Loan Amount \$36,000,000.00

Account #

Principal	Balance	Interest Rate	Capitalized Interest	Interest	Total P & I	P & I Per Year	Lease Payment Dates	Lease Payment Amount	Annual Lease Payment
8/1/2008	36,000,000.00		809,753.00	809,753.00	809,753.00	809,753.00	2/15/2011	1,140,000.00	2,385,500.00
2/1/2009	36,000,000.00		991,534.00	991,534.00	991,534.00	1,983,068.00	8/15/2011	1,245,500.00	2,616,500.00
8/1/2009	36,000,000.00		991,534.00	991,534.00	991,534.00	1,983,068.00	2/15/2012	1,245,500.00	2,616,500.00
2/1/2010	36,000,000.00		991,534.00	991,534.00	991,534.00	1,983,068.00	8/15/2012	1,371,000.00	2,835,500.00
8/1/2010	36,000,000.00		991,534.00	991,534.00	991,534.00	1,983,068.00	2/15/2013	1,371,000.00	2,835,500.00
2/1/2011	35,855,000.00	4.000%	35,600,000.00	988,634.00	1,243,634.00	2,380,168.00	8/15/2013	1,464,500.00	2,930,000.00
8/1/2011	35,600,000.00	4.000%	35,340,000.00	983,534.00	1,243,534.00	2,380,168.00	2/15/2014	1,464,500.00	2,930,000.00
2/1/2012	34,950,000.00	4.000%	34,550,000.00	978,334.00	1,368,334.00	2,611,868.00	8/15/2014	1,464,500.00	2,930,000.00
8/1/2012	34,550,000.00	4.000%	34,000,000.00	970,534.00	1,370,534.00	2,833,068.00	2/15/2015	1,464,000.00	2,928,500.00
2/1/2013	400,000.00	4.000%	34,050,000.00	962,534.00	1,462,534.00	2,924,868.00	8/15/2015	1,464,000.00	2,931,500.00
8/1/2013	500,000.00	4.000%	33,540,000.00	952,534.00	1,462,534.00	2,924,868.00	2/15/2016	1,467,500.00	2,933,000.00
2/1/2014	510,000.00	4.000%	33,020,000.00	942,334.00	1,461,934.00	2,929,768.00	8/15/2016	1,465,500.00	2,933,500.00
8/1/2014	520,000.00	4.000%	33,020,000.00	931,934.00	1,461,934.00	2,927,494.00	2/15/2017	1,465,000.00	2,931,000.00
2/1/2015	530,000.00	4.000%	32,490,000.00	921,334.00	1,466,334.00	2,927,494.00	8/15/2017	1,467,000.00	2,932,500.00
8/1/2015	545,000.00	4.000%	31,945,000.00	910,434.00	1,465,434.00	2,929,768.00	2/15/2018	1,465,000.00	2,933,000.00
2/1/2016	555,000.00	4.000%	31,390,000.00	899,334.00	1,464,334.00	2,929,768.00	8/15/2018	1,467,000.00	2,933,500.00
8/1/2016	565,000.00	4.000%	30,825,000.00	888,034.00	1,463,034.00	2,927,262.00	2/15/2019	1,465,000.00	2,932,000.00
2/1/2017	575,000.00	4.000%	30,250,000.00	876,534.00	1,461,534.00	2,927,038.00	8/15/2019	1,465,000.00	2,931,500.00
8/1/2017	585,000.00	5.750%	29,660,000.00	859,716.00	1,464,716.00	2,928,268.00	2/15/2020	1,467,500.00	2,933,000.00
2/1/2018	605,000.00	5.750%	29,060,000.00	842,322.00	1,462,322.00	2,929,764.00	8/15/2020	1,467,000.00	2,933,500.00
8/1/2018	620,000.00	6.000%	28,440,000.00	824,497.00	1,465,297.00	2,927,494.00	2/15/2021	1,467,000.00	2,931,000.00
2/1/2019	640,000.00	6.000%	27,800,000.00	805,297.00	1,465,297.00	2,927,494.00	8/15/2021	1,465,500.00	2,932,500.00
8/1/2019	660,000.00	6.000%	27,140,000.00	785,497.00	1,465,097.00	2,927,494.00	2/15/2022	1,465,000.00	2,930,000.00
2/1/2020	680,000.00	6.000%	26,460,000.00	765,097.00	1,465,097.00	2,927,494.00	8/15/2022	1,465,000.00	2,932,500.00
8/1/2020	700,000.00	6.000%	25,760,000.00	744,097.00	1,464,097.00	2,927,494.00	2/15/2023	1,465,000.00	2,933,000.00
2/1/2021	720,000.00	5.750%	25,040,000.00	723,397.00	1,463,397.00	2,927,494.00	8/15/2023	1,467,000.00	2,933,500.00
8/1/2021	740,000.00	5.750%	24,300,000.00	702,122.00	1,462,122.00	2,927,394.00	2/15/2024	1,467,000.00	2,933,000.00
2/1/2022	760,000.00	5.750%	23,540,000.00	680,272.00	1,465,272.00	2,927,394.00	8/15/2024	1,467,000.00	2,933,500.00
8/1/2022	785,000.00	5.750%	22,750,000.00	657,703.00	1,462,703.00	2,927,262.00	2/15/2025	1,467,000.00	2,933,000.00
2/1/2023	805,000.00	5.750%	21,950,000.00	634,559.00	1,464,559.00	2,927,262.00	8/15/2025	1,467,000.00	2,933,500.00
8/1/2023	830,000.00	5.750%	21,120,000.00	610,697.00	1,466,697.00	2,931,813.00	2/15/2026	1,467,000.00	2,934,500.00
2/1/2024	855,000.00	5.750%	20,265,000.00	586,116.00	1,466,116.00	2,931,813.00	8/15/2026	1,467,000.00	2,934,000.00
8/1/2024	880,000.00	5.750%	19,385,000.00	560,816.00	1,465,816.00	2,930,613.00	2/15/2027	1,466,500.00	2,932,000.00
2/1/2025	905,000.00	5.750%	18,480,000.00	534,797.00	1,464,797.00	2,927,468.00	8/15/2027	1,466,500.00	2,931,500.00
8/1/2025	930,000.00	6.000%	17,550,000.00	508,059.00	1,463,059.00	2,927,468.00	2/15/2028	1,465,000.00	2,932,000.00
2/1/2026	955,000.00	6.000%	16,595,000.00	479,409.00	1,464,409.00	2,927,468.00	8/15/2028	1,465,000.00	2,932,500.00
8/1/2026	985,000.00	6.000%	15,610,000.00	449,859.00	1,464,859.00	2,928,709.00	2/15/2029	1,465,000.00	2,933,000.00
2/1/2027	1,015,000.00	5.125%	14,595,000.00	423,850.00	1,463,850.00	2,928,709.00	8/15/2029	1,465,000.00	2,933,500.00
8/1/2027	1,040,000.00	5.125%	13,555,000.00	397,200.00	1,462,200.00	2,927,109.00	2/15/2030	1,465,000.00	2,933,000.00
2/1/2028	1,065,000.00	6.000%	12,490,000.00	369,909.00	1,464,909.00	2,927,109.00	8/15/2030	1,465,000.00	2,933,500.00
8/1/2028	1,095,000.00	6.000%	11,395,000.00	341,850.00	1,461,850.00	2,925,100.00	2/15/2031	1,465,000.00	2,933,000.00
2/1/2029	1,120,000.00	6.000%	10,275,000.00	308,250.00	1,463,250.00	2,925,100.00	8/15/2031	1,466,500.00	2,933,500.00
8/1/2029	1,155,000.00	6.000%	9,120,000.00	273,600.00	1,463,600.00	2,926,500.00	2/15/2032	1,466,500.00	2,933,000.00
2/1/2030	1,190,000.00	6.000%	7,930,000.00	237,900.00	1,462,900.00	2,926,500.00	8/15/2032	1,466,500.00	2,933,500.00
8/1/2030	1,225,000.00	6.000%	6,705,000.00	201,150.00	1,466,150.00	2,929,350.00	2/15/2033	1,465,000.00	2,933,000.00
2/1/2031	1,265,000.00	6.000%	5,440,000.00	163,200.00	1,463,200.00	2,928,200.00	8/15/2033	1,465,000.00	2,933,500.00
8/1/2031	1,300,000.00	6.000%	4,140,000.00	124,200.00	1,464,200.00	2,928,200.00			
2/1/2032	1,340,000.00	6.000%	2,800,000.00	84,000.00	1,464,000.00	1,462,600.00			
8/1/2032	1,380,000.00	6.000%	1,420,000.00	42,600.00	1,462,600.00				
2/1/2033	1,420,000.00	6.000%	0.00						

36,000,000.00 33,695,503.00 69,695,503.00 69,695,503.00 65,000,000.00 65,000,000.00