

*In the Opinion of Bond Counsel, under existing law, interest on the Series A Bonds is excluded from gross income for federal income tax purposes and is not a specific item of preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. It should be noted, however, that with respect to corporations (as corporations are defined for federal income tax purposes), such interest is taken into account in determining current earnings for the purpose of computing the alternative minimum tax imposed on corporations by the Internal Revenue Code of 1986, as amended. **Interest on the Series B Bonds is included in the calculation of gross income, and is fully taxable, for Federal income tax purposes.** Bond Counsel is also of the opinion that, under existing law, the Bonds are exempt from Pennsylvania personal property taxes and interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax. See "TAX TREATMENT" herein.*

**\$9,550,000**

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH  
TAX INCREMENT BONDS  
(CENTER TRIANGLE TAX INCREMENT FINANCING DISTRICT—  
THE PNC FINANCIAL SERVICES GROUP, INC. PROJECT)**

**\$4,360,000**

**REFUNDING SERIES A OF 2007 (TAX-EXEMPT)**

**\$5,190,000**

**REFUNDING SERIES B OF 2007 (TAXABLE)**

**Dated: November 15, 2007**

**Due: As shown on the inside front cover**

The Bonds are issuable only as fully registered bonds without coupons, and, when issued, will be registered in the name of Cede & Co. as registered owner and nominee for The Depository Trust Company, New York, New York ("**DTC**"). DTC will act as securities depository of the Bonds. Individual purchases will be made in book-entry form, in denominations of \$5,000 and integral multiples thereof. So long as Cede & Co., as nominee for DTC, is the registered owner of the Bonds, references herein to the bondholders or Registered Owners (other than under the captions "CONTINUING DISCLOSURE" and "TAX TREATMENT" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners (as hereinafter defined) of the Bonds.

So long as Cede & Co. is the Registered Owner of the Bonds, as aforesaid, principal of and interest on the Bonds are payable by the Trustee (hereinafter defined) under the Indenture (hereinafter defined) to Cede & Co., as nominee for DTC, which will, in turn, remit such principal and interest to the DTC Participants for subsequent disbursement to the Beneficial Owners. (See "Book-Entry Only System" herein). The principal of and any premium on the Bonds will be payable when due to the holders thereof upon presentation and surrender of such Bonds at the designated office or agency office of the Trustee. Interest on the Bonds will be transmitted by the Trustee to DTC on each May 1 and November 1, commencing May 1, 2008. (See "THE BONDS" herein.)

The Bonds are subject to redemption prior to maturity, as more fully set forth herein. (See "REDEMPTION OF THE BONDS" herein.)

**The Bonds are limited obligations of the Authority payable solely from, and enforceable only against, certain incremental real estate tax payments which are payable under the terms of the Cooperation Agreement, moneys payable pursuant to the Minimum Payment Agreement, as amended by an Amendment to Minimum Payment Agreement dated as of November 1, 2007, by and between the Authority and The PNC Financial Services Group, Inc. (the "Minimum Payment Agreement") and certain other money available therefor as provided in the Indenture, and there shall be no recourse against the Authority or any other property now or hereafter owned by it, all as more fully described herein. The Authority has no taxing power. The Bonds are not obligations of the Commonwealth of Pennsylvania or any political subdivision thereof.**

**MATURITY SCHEDULE**  
**(See inside front cover)**

*The Bonds will be sold when, as and if issued and received by the Underwriters, subject to prior sale or modification of the offer without notice, and subject to approval as to the authorization, issuance and delivery of the Bonds by Cohen & Grigsby, P.C., of Pittsburgh, Pennsylvania, Bond Counsel. Certain legal matters will be passed upon for the Authority by its general counsel, Donald A. Kortlandt, Esquire. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Obermayer Rebmann Maxwell & Hoppel LLP, and Thorp Reed & Armstrong, LLP, both of Pittsburgh, Pennsylvania. It is expected that the Bonds will be available for delivery through DTC in New York, New York, on November 15, 2007.*



**\$9,550,000**  
**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**  
**TAX INCREMENT BONDS**  
**(CENTER TRIANGLE TAX INCREMENT FINANCING DISTRICT--**  
**THE PNC FINANCIAL SERVICES GROUP, INC. PROJECT)**

**\$4,360,000**  
**REFUNDING SERIES A OF 2007 (TAX-EXEMPT)**

**\$5,190,000**  
**REFUNDING SERIES B OF 2007 (TAXABLE)**

**MATURITY SCHEDULES**

Dated: November 15, 2007

Due: May 1, as shown below

REFUNDING SERIES A OF 2007 (TAX-EXEMPT)

<b><u>(Year) May 1,</u></b>	<b><u>Principal</u></b> <b><u>Amount</u></b>	<b><u>Interest</u></b> <b><u>Rate</u></b>	<b><u>Yield</u></b>	<b><u>Price</u></b>
2008	\$30,000	3.550 %	3.550 %	100.000 %
2009	30,000	3.650	3.650	100.000
2010	30,000	3.700	3.700	100.000
2011	35,000	3.750	3.750	100.000
2012	30,000	3.800	3.800	100.000
2013	35,000	3.875	3.875	100.000
2014	35,000	3.950	3.950	100.000
2015	305,000	4.050	4.050	100.000
2016	890,000	4.150	4.150	100.000
2017	930,000	4.250	4.250	100.000
2018	975,000	4.400	4.400	100.000
2019	1,035,000	4.500	4.500	100.000

REFUNDING SERIES B OF 2007 (TAXABLE)

\$5,190,000 5.420% Term Bonds Due May 1, 2015 – Priced to Yield 5.420%

**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**

200 Ross Street  
Pittsburgh, PA 15219

**MEMBERS OF THE BOARD**

Yarone Zober	Chairman
William C. Rudolph	Vice Chairman
James Ferlo	Treasurer
Tonya Payne	Member
Vacant	Member

**EXECUTIVE DIRECTOR**

Patrick B. Ford

**GENERAL COUNSEL AND SECRETARY**

Donald A. Kortlandt, Esquire

**TRUSTEE AND ESCROW AGENT**

U.S. Bank National Association  
Pittsburgh, Pennsylvania

**BOND COUNSEL**

Cohen & Grigsby, P.C.  
Pittsburgh, Pennsylvania

**CO-UNDERWRITERS' COUNSEL**

Obermayer Rebmann Maxwell & Hippel LLP  
Pittsburgh, Pennsylvania

Thorp Reed & Armstrong, LLP  
Pittsburgh, Pennsylvania

**VERIFICATION AGENT**

Maher Duessel  
Pittsburgh, Pennsylvania

**UNDERWRITERS**

PNC Capital Markets LLC  
Pittsburgh, Pennsylvania

Mesirow Financial, Inc.  
Pittsburgh, Pennsylvania

The information in this Official Statement has been obtained from the Authority, The PNC Financial Services Group, Inc. ("**PNC Group**"), PNC Bank, National Association ("**PNC Bank**") and other sources considered to be reliable. Such information is not guaranteed as to accuracy or completeness and is not to be considered as a representation by the Underwriters. All estimates and assumptions contained herein are believed to be reliable, but no representation is made that such estimates or assumptions are correct or will be realized. No dealer, broker, salesman or other person has been authorized by the Authority, PNC Group, PNC Bank or the Underwriters to give any information or to make any representation with respect to the Bonds, other than those contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized by any of the foregoing. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the parties referred to above since the date hereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Bonds, by any person, in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale.

THE BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939 IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF SECURITIES LAWS OF THE STATES IN WHICH THE BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN THE OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE BONDS OR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

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The Table of Contents does not list all of the subjects in this Official Statement, and in all instances reference should be made to the complete Official Statement to determine the subjects set forth herein. No significance should be attached to the particular order in which subjects appear herein.

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**OFFICIAL STATEMENT**  
**Relating to the**  
**\$9,550,000**  
**URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**  
**TAX INCREMENT BONDS**  
**(CENTER TRIANGLE TAX INCREMENT FINANCING DISTRICT--**  
**THE PNC FINANCIAL SERVICES GROUP, INC. PROJECT)**  
**\$4,360,000**  
**REFUNDING SERIES A OF 2007 (TAX-EXEMPT)**  
**\$5,190,000**  
**REFUNDING SERIES B OF 2007 (TAXABLE)**

**INTRODUCTION**

This Official Statement, which includes the Cover Page and the Appendices hereto, is furnished by the Urban Redevelopment Authority of Pittsburgh (the "**Authority**"), an instrumentality of the Commonwealth of Pennsylvania (the "**Commonwealth**"), in connection with the issuance of \$9,550,000 aggregate principal amount of the Authority's Tax Increment Bonds (Center Triangle Tax Increment Financing District—The PNC Financial Services Group, Inc. Project), Refunding Series A of 2007 (Tax-Exempt) (the "**Series A Bonds**") and Refunding Series B of 2007 (Taxable) (the "**Series B Bonds**" and, together with the Series A Bonds the "**Bonds**"). The Bonds are being issued pursuant to a Trust Indenture dated as of November 1, 2007 (the "**Indenture**") from the Authority to U.S. Bank National Association, Pittsburgh, Pennsylvania, as trustee (in such capacity, the "**Trustee**"). A summary of principal provisions of the Indenture is included in Appendix A hereto.

**The Issuer**

The Authority was established in 1946 pursuant to the Urban Redevelopment Law, as amended (35 P.S. §1701 et seq.) (the "**Act**"), and is empowered, inter alia, to improve urban conditions through economic redevelopment. In order to carry out its corporate purposes, the Authority is granted the power to issue bonds, to cooperate with the City of Pittsburgh (the "**City**"), and to enter into contracts necessary or convenient to the exercise of its powers. See "URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH" herein.

**Purpose**

The proceeds of the Bonds will be used by the Authority to (i) refinance, on an advance refunding basis, the Authority's \$9,040,000, aggregate outstanding principal amount, Tax Increment Bonds (Center Triangle Tax Increment Financing District – PNC Bank Corp Project), Series A of 1999 (Tax Exempt) and Series B of 1999 (Taxable) (both series, the "**Prior Bonds**") and (ii) pay certain costs of the issuance of the Bonds (collectively, the "**Refunding Plan**"). See "THE REFUNDING PLAN AND THE PROJECT" herein.

**Security for the Bonds**

The Bonds are limited obligations of the Authority payable solely from, and enforceable only against, the revenues pledged under the Indenture, which include: (i) certain incremental real estate payments (but *not* including certain incremental parking tax payments) which are payable under the Cooperation Agreement Regarding Center Triangle Tax Increment Financing District, as amended by Amendment No. 2, dated as of October 15, 1999, and supplemented by a Supplement, dated as of December 23, 2003, by and among the Authority, the City, the County and the School District

(collectively, the "**Cooperation Agreement**"); (ii) moneys payable under the Minimum Payment Agreement dated as of November 15, 1999, between PNC Bank Corp ("**PNC Bank Corp**") and the Authority, as amended by an Amendment to Minimum Payment Agreement dated as of November 1, 2007 between the Authority and The PNC Financial Services Group, Inc. (the "**PNC Group**"), formerly known as PNC Bank Corp, (collectively, the "**Minimum Payment Agreement**"); (iii) moneys and securities held by the Trustee under the Indenture; and (iv) proceeds of the foregoing (collectively, the "**Pledged Revenues**"), and there shall be no recourse against the Authority or any other property now or hereafter owned by it. The Authority has no taxing power. The Bonds are not obligations of the Commonwealth of Pennsylvania or any political subdivision thereof. See "SOURCES OF PAYMENT AND SECURITY FOR THE BONDS" herein.

#### The Cooperation Agreement

The Planning Commission of the City of Pittsburgh has certified an area located within the City known as the Lower Hill, Market-Stanwix, Second Avenue, Cultural District and Inner Triangle Redevelopment Areas (the "**Redevelopment Area**") as a "redevelopment area". Pursuant to the provisions of the Tax Increment Financing Act, as amended (53 P.S. §6930.1 *et seq.*) (the "**TIF Act**"), the City created the Center Triangle Tax Increment Financing District (the "**TIF District**") within the Redevelopment Area and adopted the Center Triangle Tax Increment Financing Plan (the "**TIF Plan**"). The City, the County of Allegheny, Pennsylvania, (the "**County**") the School District of Pittsburgh (the "**School District**") (collectively, the "**Taxing Bodies**") and the Authority have entered into the Cooperation Agreement wherein each Taxing Body has agreed, pursuant to the TIF Act, to assign to the Authority for the term of the Bonds the rights to certain incremental taxes attributable to the TIF Parcels (as hereinafter defined). See "THE REFUNDING PLAN AND THE PROJECT" herein.

#### The Minimum Payment Agreement

In the event that real estate tax revenues pledged under the Cooperation Agreement are insufficient at any time to pay debt service on and certain costs related to the Bonds, PNC Group has agreed, pursuant to the Minimum Payment Agreement, to make payments sufficient to remedy such shortfalls for the life of the Bonds. The obligations of PNC Group under the Minimum Payment Agreement are absolute, irrevocable and unconditional. PNC Group may not assign its obligations under the Minimum Payment Agreement without (i) the prior written consent of the Authority and (ii) written confirmation from each rating agency then providing a rating for the Bonds that such assignment will not result in the reduction of the then current Bond rating. See Appendix B – MINIMUM PAYMENT AGREEMENT and Appendix C – THE PNC FINANCIAL SERVICES GROUP, INC.

This Official Statement contains information concerning the Authority, the Bonds, and the TIF Project. Also included as appendices are a summary of certain provisions of the Indenture and a copy of the Minimum Payment Agreement. All references herein to the Act, the TIF Act, the Cooperation Agreement, the Minimum Payment Agreement and the Indenture are qualified in their entirety by reference to the complete text of each statute and agreement, and all references to the Bonds are qualified in their entirety by reference to the forms thereof and the information with respect thereto in the Indenture.

All statements in this Official Statement involving matters of opinion, estimates, forecasts, projections or the like, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized.



## URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH

### Purpose

The Authority was established in 1946. Pursuant to the Act, the Authority is granted the power to improve urban conditions through redevelopment. In order to carry out its corporate purposes, the Authority has been granted the power to issue bonds, to cooperate with the City and to enter into contracts necessary or convenient to the exercise of its power. The Authority's field of operation (as that term is defined in the Act) is coterminous with the corporate limits of the City. The principal office of the Authority is located at 200 Ross Street, Pittsburgh, Pennsylvania 15219.

### Organization

The powers of the Authority are vested in and exercised by a five-member board (the "**Authority Board**") appointed by the Mayor of the City. All of the members of the Authority Board are residents of the City and hold office for a term of five years or until a successor is appointed. The members of the Authority Board meet monthly at the offices of the Authority. They determine policy matters and approve contracts. The members of the Authority Board, year of expiration of their terms as members and their principal occupations are as follows:

Yarone Zober, Chairman, 2010, Chief of Staff, Office of the Mayor of the City of Pittsburgh;  
William C. Rudolph, Vice Chairman, 2008, Business Owner and Real Estate Developer;  
James Ferlo, Treasurer, 2007, Member, Pennsylvania Senate; and  
Tonya Payne, Member, 2009, Member, City Council.  
One seat on the Board is currently vacant.

### Staff

The Act provides that the Authority Board may select an executive director, a secretary, legal counsel, technical experts and such other employees as it may require. The staff of the Authority presently consists of 82 full time and two part time employees. The senior personnel who have executive and staff responsibility for the Authority's programs are:

Patrick B. Ford – Executive Director – Mr. Ford joined the Authority as Executive Director in September 2007, following seven months of service as the Director of Economic and Community Development for the City of Pittsburgh. From 2002 to 2004, Mr. Ford served as Pittsburgh's Zoning Administrator and, from 2004 to 2005, he served as the Zoning Director for Pompano Beach, Florida. Prior to his public service, he served as Vice President for an architecture and engineering firm. Mr. Ford holds Bachelor and Masters degrees in Planning from the University of Virginia.

Donald A. Kortlandt –General Counsel and Secretary – Mr. Kortlandt was an associate and partner of Kirkpatrick & Lockhart Nicholson Graham LLP from October 1977 until January 2005, was a partner of Hergenroeder, Rega & Sommer LLC from January 2005 until January 2007, and has held his current position since January of 2007. Mr. Kortlandt holds a bachelors degree from the Massachusetts Institute of Technology and a Juris Doctor degree from Columbia University Law School.

Constance L. Eads, CPA – Deputy Executive Director – Finance and Operations – Ms. Eads joined the Authority as Controller in 1993 with 14 years of finance and accounting experience in the private and non-profit sectors. A CPA since 1981, she is a member of the American Institute of CPAs and the Pennsylvania Institute of CPAs. Ms. Eads is a graduate of Ohio University with a Bachelor of Business Administration degree in accounting and a Bachelor of Science degree in communications.

Source: Urban Redevelopment Authority of Pittsburgh

## THE BONDS

### General Description

The Bonds will be fully registered Bonds in denominations of \$5,000 or any integral multiple thereof. The Bonds will bear interest computed on the basis of a 360-day year of twelve 30 day months at the annual rates, and are scheduled to mature in the principal amounts and on the dates, set forth on the inside front cover of this Official Statement and are subject to redemption prior to maturity as set forth herein. The Bonds are payable at the designated office or agency office of the Trustee. The Bonds will be dated November 15, 2007, and interest will be payable on May 1, 2008 and on each May 1 and November 1 thereafter, until maturity or the earlier the redemption thereof.

### Payment of the Bonds

The principal of and interest on the Bonds issued and to be issued under the Indenture, and the redemption premium, if any, payable thereon in case of redemption, shall be payable as may be designated in the particular Bond issued or to be issued, in lawful moneys of the United States of America. The interest payable on the Bonds shall be payable by check of the Trustee mailed on the applicable Interest Payment Date to the person in whose name the Bond is registered on the bond register (the "**Registered Owners**") at the close of business on the record date (namely, the 15th day of the calendar month, whether or not such day is a business day, immediately preceding any interest payment date) for such interest payment date. Payment of interest on any Bond shall, if requested in writing by a Registered Owner of \$1,000,000 or more in principal amount of Bonds, be made by wire transfer to a designated bank account in the continental United States if such written request is received not less than 10 days prior to the first payment of interest to which it relates. The principal amount of each Bond and any redemption premium shall be paid to the Registered Owner thereof upon the surrender of the Bond at the designated office or agency office of the Trustee, which presently is in St. Paul, Minnesota. The principal of and interest on the Bonds and the redemption premium, if any, payable thereon in case of redemption shall be payable only out of the Pledged Revenues and out of any other moneys of the Authority pledged from time to time hereafter for the payment thereof pursuant to the Indenture.

Any interest on any Bond which is payable, but is not punctually paid or provided for on any interest payment date (herein called "**Defaulted Interest**") shall forthwith cease to be payable to the Registered Owner on the relevant regular record date, and such Defaulted Interest shall be paid to the Registered Owner in whose name the Bond is registered at the close of business on a special record date to be fixed by the Trustee, such date to be not more than 15 nor less than 10 days (whether or not a Business Day) prior to the date of proposed payment. The Trustee is required to mail notice of any special record date therefor, by first class mail postage prepaid, to each such Registered Owner, at its address as shown in the bond register kept for such purpose by the Trustee on behalf of the Authority, as of the Business Day immediately preceding such special record date.

### Book-Entry Only System

The following description of DTC and the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal, interest and other payments on the Bonds to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Bonds and other related transactions by and between DTC, the Direct Participants, the Indirect Participants and the Beneficial Owners is based solely on information provided by DTC, and the Authority assumes no responsibility therefore. Accordingly, no representations can be made concerning these matters and neither the Direct Participants, the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters but should instead confirm the same with DTC or the Direct Participants or the Indirect Participants, as the case may be.

The Depository Trust Company ("**DTC**"), New York, New York, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of each series of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds securities that its participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange LLC, the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**"). The Rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("**Beneficial Owner**") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose account such Bonds are credited, which may or may not be the Beneficial Owners. The Direct or Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (or such other DTC nominee) will consent or vote with respect to Bonds. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Bonds will be made to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC). DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Trustee or Authority on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name", and will be the responsibility of such Participant and not of DTC, the Trustee, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice in writing to the Authority or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bond certificates will be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

The above information concerning DTC and DTC's book-entry system has been obtained from sources that the Authority and the Underwriters believe to be reliable, but the Authority and the Underwriters take no responsibility for the accuracy thereof.

Each person for which a Participant acquires an interest in the Bonds, as nominee, may desire to make arrangements with such Participant to receive a credit balance in the records of such Participant, and may desire to make arrangements with such Participant to have all notices of redemption or other communications to DTC, which may affect such persons, to be forwarded in writing by such Participant and to have notification made of all interest payments. **NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO SUCH PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE BONDS.**

So long as Cede & Co. is the registered owner of the Bonds, as nominee for DTC, references herein to the Bondholders or Registered Owners of the Bonds (other than under the captions "CONTINUING DISCLOSURE" and "TAX TREATMENT" herein) shall mean Cede & Co., as aforesaid, and shall not mean the Beneficial Owners of the Bonds.

When reference is made to any action which is required or permitted to be taken by the Beneficial Owners, such reference shall only relate to those permitted to act (by statute, regulation or otherwise) on behalf of such Beneficial Owners for such purposes. When notices are given, the Trustee shall send them to DTC only.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto.

## **REDEMPTION OF THE BONDS**

### **Optional Redemption**

The Series A Bonds maturing on or after May 1, 2018 are subject to redemption prior to maturity at the option of the Authority, as a whole or in part, on November 1, 2017 or on any date thereafter, in such order of maturity as shall be selected in writing by the Authority and by lot within a maturity at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption.

The Series B Bonds are not subject to redemption at the option of the Authority prior to maturity.

### **Mandatory Redemption**

The Series B Bonds maturing on May 1 of the year 2015 are subject to mandatory sinking fund redemption by the Authority prior to maturity, in part, by lot within a maturity, as selected by the Trustee on May 1 of each year and in the amounts set forth in the corresponding schedule below, at a redemption price equal to 100% of the principal amount being redeemed plus accrued interest to the date fixed for redemption:

#### **Series B Bonds Maturing May 1, 2015**

<b><u>Year (May 1)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Year (May 1)</u></b>	<b><u>Principal Amount</u></b>
2008	\$570,000	2012	\$695,000
2009	590,000	2013	735,000
2010	620,000	2014	775,000
2011	655,000	2015 *	550,000

\* Maturity

### Notice of Redemption

Notice of any redemption will be given by mailing a notice by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date to the Registered Owners of the Bonds to be redeemed at the addresses which appear in the records kept by the Trustee. So long as the Bonds are held in book-entry form at DTC, redemption notices will be sent to DTC. Neither failure to mail such notice nor any defect in the notice so mailed or in the mailing thereof with respect to any one Bond will affect the validity of the proceedings for the redemption of other Bonds. If the Authority gives due notice of redemption and deposits or causes to be deposited with the Trustee for such purpose funds sufficient for the payment of the redemption price of the Bonds so called for redemption, including accrued interest thereon to the date fixed for redemption, interest on such Bonds will forever cease to accrue on such date fixed for redemption. Any such redemption notice may state that it is, and thereby be made, conditional upon such deposit being timely made, and in such event such notice will be of no effect if such deposit is not timely made.

## **THE REFUNDING PLAN AND THE PROJECT**

### The Refunding Plan

The proceeds of the Bonds will be used by the Authority to (i) refinance, on an advance refunding basis, the Authority's \$9,040,000, aggregate outstanding principal amount, Tax Increment Bonds (Center Triangle Tax Increment Financing District – PNC Bank Corp Project) Series A of 1999 (Tax Exempt) and Series B of 1999 (Taxable) (both series, the "**Prior Bonds**") and (ii) pay certain costs of the issuance of the Bonds (collectively, the "**Refunding Plan**").

A portion of the proceeds of the Bonds will be deposited with the Trustee, serving in the capacity of Escrow Agent, under the terms of an Escrow Deposit Agreement dated as of November 1, 2007 (the "**Escrow Agreement**") between the Authority and U.S. Bank National Association, as Escrow Agent. Pursuant to the terms of the Escrow Agreement, the proceeds of the Bonds deposited thereunder will be invested in United States Treasury obligations including State and Local Government Series, in such principal amounts, bearing interest at such rates and maturing on such dates as shall produce funds sufficient to pay all principal and interest on the Prior Bonds, as and when the same becomes due, from the date of settlement of the Bonds until May 1, 2009, at which time the then outstanding Prior Bonds shall be redeemed. A verification report regarding the sufficiency of such investments, together with the calculation of certain yields supporting the tax opinions of Bond Counsel, will be delivered by Maher Duessel, CPAs, Pittsburgh, Pennsylvania.

### The Prior Bonds' Project

Approximately \$4,000,000 of the proceeds of the Prior Bonds were applied, subsequent to the time of their issuance, and together with significant federal and state transportation funds, to the acquisition and construction of a stop (the "**Transit Station**") on the light rail transit system owned and operated by the Port Authority of Allegheny County as part of its County-wide mass transit system. The Transit Station is located within the TIF District near an office complex housing certain operations of PNC Group and provides suburban commuters additional ease of access to the light rail transit system. The balance of the proceeds of the Prior Bonds were used for various site assembly, site preparation and related redevelopment efforts of the Authority within the TIF District.

## **ESTIMATED SOURCES AND USES OF BOND PROCEEDS**

The following table sets forth the estimated sources and uses of the proceeds of the Bonds:

### Estimated Sources of Bond Proceeds:

Par amount of Bonds .....	\$9,550,000.00
Deposit From Prior Bonds Redemption Fund .....	<u>\$87,385.31</u>
Total .....	\$9,637,385.31

### Estimated Uses of Bond Proceeds:

Deposit to Escrow for Prior Bonds .....	\$9,459,626.51
Financing Costs including Underwriters' Fee and Legal Fees, Printing Costs, Trustee, Rating and Authority and other Fees and Miscellaneous .....	<u>\$177,758.80</u>
Total .....	<u>\$9,637,385.31</u>

## **SOURCES OF PAYMENT AND SECURITY FOR THE BONDS**

### Limited Obligations

The Bonds are limited obligations of the Authority payable solely from, and enforceable only against, certain incremental real estate tax payments which are payable to the Trustee under the terms of the Cooperation Agreement, moneys payable pursuant to the Minimum Payment Agreement and certain other moneys available therefor as provided in the Indenture, and there shall be no recourse against the Authority or any property now or hereafter owned by it. The Bonds shall not be deemed to be a debt of the Commonwealth, the County, the School District or the City, or a pledge of the full faith and credit of the Commonwealth, the County, the School District or the City and shall not be an obligation of the Authority payable from any source except the moneys and revenues pledged under the Indenture. The Authority has no taxing power.

### The TIF Plan and the Cooperation Agreement

Pursuant to the TIF Act, the City created the Center Triangle Tax Increment Financing District and adopted the Center Triangle Tax Increment Financing Plan as of July 22, 1999. Proceeds of the Prior Bonds were expended on development within the TIF District. Certain of the parcels located within the TIF District were designated as "***TIF Parcels***" in such plan and the Cooperation Agreement.

Portions of the difference in the amount of real estate tax payments attributable to the TIF Parcels prior to the date of creation of the TIF District and the amount of real estate tax payments attributable to the TIF Parcels after such date (for so long as the TIF District continues to exist) constitute the "Pledged Increment" that will be available to pay debt service on the Bonds. This "Pledged Increment" will be limited to the real estate tax millage in effect on the date of creation of the TIF District; increases in tax revenues attributable to millage increases will be retained by the Taxing Bodies. The TIF District expires on July 6, 2019.

Pursuant to the Cooperation Agreement and the TIF Plan, the City and the County have each pledged 75%, and the School District has pledged 50%, of the increases in their respective real estate tax revenues attributable to increased values for the TIF Parcels; no other taxes assessed with respect to real estate or other taxes attributable to properties within the TIF District have been pledged as security for the Bonds.

In the Cooperation Agreement, the City, the County and the School District have agreed that the Pledged Increment is to be transferred to the Trustee. As more fully described under the heading "Flow of Funds," such Pledged Increment is to be applied by the Trustee first to pay principal and interest on the Bonds. The Taxing Bodies have granted to the Authority and the Trustee a lien on the pledged tax revenues with respect to the TIF Parcels i.e. the Pledged Increment.

#### The Minimum Payment Agreement

In the event that tax revenues pledged under the Cooperation Agreement are insufficient at any time to pay debt service on and certain costs related to the Bonds, PNC Group has agreed, pursuant to the Minimum Payment Agreement, to make payments sufficient to remedy such shortfalls for the life of the Bonds, notwithstanding any sale of TIF Parcels. The obligations of PNC Group under the Minimum Payment Agreement are absolute, irrevocable and unconditional. Under the Minimum Payment Agreement, payments to the Authority are to be made on an annual basis no later than April 1 of each year in amounts equal to the difference, if any, between the Pledged Taxes held by the Trustee and the minimum payment amount for such date as shown in the Minimum Payment Agreement. The Authority has assigned its rights to payment under the Minimum Payment Agreement to the Trustee. The Minimum Payment Agreement is forth in Appendix B. See Appendix B – "MINIMUM PAYMENT AGREEMENT".

#### Pledge and Assignment of Pledged Revenues

Pursuant to the Indenture, the Authority assigns, transfers and grants the Trustee a security interest in the Pledged Revenues, in order to secure the principal of and interest on the Bonds according to their tenor, purpose and effect and to secure the performance and observance of all the covenants and conditions expressed in the Indenture, which Pledged Revenues consist of:

- (a) portions of the incremental real estate tax revenue (the "***Pledged Increment***"), attributable to redevelopment within the TIF District, and other moneys available pursuant to the Cooperation Agreement,
- (b) the Minimum Payment Agreement, including all amounts becoming due and payable thereunder (except for indemnification related payments and costs and expenses due to the Authority pursuant to the Indenture),
- (c) all moneys and securities held from time to time by the Trustee in or as part of the funds and accounts held under the Indenture, and
- (d) proceeds of the foregoing.



## Flow of Funds

Any Pledged Revenues received by the Trustee are to be deposited into the Revenue Fund established under the Indenture. The Indenture directs the Trustee to disburse the moneys on deposit in the Revenue Fund for the following purposes and in the following order:

(a) first, to make any deposits required to be made in the Debt Service Fund:

(1) On May 1, 2008, and on each May 1 and November 1 thereafter so long as any of the Bonds shall remain Outstanding, an amount which, together with amounts otherwise on deposit at the time in the Debt Service Fund, is sufficient to pay the semiannual installment of interest due on the Bonds on such May 1 or November 1, as the case may be;

(2) On May 1, 2008 and on each May 1 thereafter so long as any of the Bonds shall remain Outstanding, an amount which, together with amounts on deposit in the Debt Service Fund, is sufficient to pay the principal amount of all Bonds which mature by their express terms or which are subject to purchase or mandatory redemption on such May 1 as hereinafter provided, including estimated incidental costs of redemption as such costs are determined by the Trustee;

(b) second, to distribute any excess Pledged Increment to the Taxing Bodies as required by the TIF Plan, and to refund tax payments, but only if the Trustee has received a tax payment that is required by law to be refunded as a result of an assessment appeal or otherwise, and only upon the written direction of the Authority;

(c) third, to pay Annual Costs then due;

(d) fourth, to reimburse PNC Group for certain payments made pursuant to the Minimum Payment Agreement, as described in the Indenture ; and

(e) fifth, to make a deposit to the Redemption Fund which can be used for one or more of the following purposes:

(i) To pay, as and when the same shall become payable, any additional Annual Costs and other costs permitted under the Indenture and the costs of any dissemination agent pursuant to any continuing disclosure agreement and the costs of any rebate calculations done pursuant to the Tax Certificate, as defined in the Indenture;

(ii) To pay debt service due on the Bonds, to the extent there is a deficiency in the Debt Service Fund and no payment has been received under the Minimum Payment Agreement;

(iii) To the optional redemption of Bonds or to the purchase of Bonds at no more than the current redemption price;

(iv) To pay, as and when the same shall become payable, any other debts, liabilities and obligations of the Authority with respect to the Bonds or the Indenture for which provision for payment has not otherwise been made;

(v) For any other lawful purpose, upon receipt of an opinion of counsel acceptable to the Trustee that such use of funds would not adversely effect the tax exemption of the Series A Bonds and is permitted by the TIF Plan and the Cooperation Agreement.

### Defeasance

The Indenture provides that if there shall have been deposited with the Trustee, cash, securities or government obligations of the types specified in the Indenture in an amount sufficient for the payment of principal, premium, if any, and interest on the Bonds, as and when due, as certified by a certified public accountant to the extent required by the Indenture, then the right, title, and interest of the Trustee shall cease and the Indenture shall be released.

### **DEBT SERVICE SCHEDULE ON THE BONDS**

Dated: November 15, 2007

Due: May 1, as shown below

Refunding Series A of 2007 (Tax-Exempt)

<b><u>Year</u></b>	<b><u>Principal Amount</u></b>	<b><u>Coupon</u></b>	<b><u>Interest</u></b>	<b><u>Annual Debt Service</u></b>
2008	\$30,000	3.550%	\$178,953.80	\$208,953.80
2009	30,000	3.650	185,136.26	215,136.26
2010	30,000	3.700	184,033.76	214,033.76
2011	35,000	3.750	182,822.51	217,822.51
2012	30,000	3.800	181,596.26	211,596.26
2013	35,000	3.875	180,348.13	215,348.13
2014	35,000	3.950	178,978.75	213,978.75
2015	305,000	4.050	172,111.25	477,111.25
2016	890,000	4.150	147,467.50	1,037,467.50
2017	930,000	4.250	109,237.50	1,039,237.50
2018	975,000	4.400	68,025.00	1,043,025.00
2019	1,035,000	4.500	23,287.50	1,058,287.50
<b>Totals</b>	<b>\$4,360,000.00</b>		<b>\$1,791,998.22</b>	<b>\$6,151,998.22</b>

Refunding Series B of 2007 (Taxable)

<u>Year</u>	<u>Principal Amount</u>	<u>Coupon</u>	<u>Interest</u>	<u>Annual Debt Service</u>
2008	\$570,000*	5.420%	\$254,911.63	\$824,911.63
2009	590,000*	5.420	234,415.00	824,415.00
2010	620,000*	5.420	201,624.00	821,624.00
2011	655,000*	5.420	167,071.50	822,071.50
2012	695,000*	5.420	130,486.50	825,486.50
2013	735,000*	5.420	91,733.50	826,733.50
2014	775,000*	5.420	50,812.50	825,812.50
2015	550,000**	5.420	14,905.00	564,905.00
<b>Totals</b>	<b>\$5,190,000.00</b>		<b>\$1,145,959.63</b>	<b>\$6,335,959.63</b>

\* Mandatory Sinking Fund Payment

\*\* Maturity

## **THE PNC FINANCIAL SERVICES GROUP, INC.**

See Appendix C for information on PNC Group which information has been furnished by PNC Group. **The Minimum Payment Agreement referenced in this Official Statement is an obligation of PNC Group only and not of PNC Bank.**

## **BONDHOLDERS' RISKS**

### **Potential Effects of Bankruptcy**

If PNC Group were to file a petition for relief (or if a petition was filed against PNC Group) under the Federal Bankruptcy Code, the filing would operate as an automatic stay of the commencement or continuation of any judicial or other proceeding against PNC Group, and its property.

In a bankruptcy proceeding, a debtor may file a plan for the adjustment of its debts that modifies the rights of creditors generally or the rights of any class of creditors, secured or unsecured. The plan, when confirmed by the court, binds all creditors who had notice or knowledge of the plan and discharges all claims against the debtor provided for in the plan. No plan may be confirmed unless, among other conditions, it is in the best interest of creditors, is feasible, and has been accepted by each class of claims impaired thereunder.

### **Enforceability of Remedies**

The remedies available to Bondholders upon an Event of Default under the Indenture are in many respects dependent upon judicial action, which is subject to discretion or delay. Under existing law and judicial decisions, including specifically the Federal Bankruptcy Code, the remedies specified in the Indenture may not be readily available or may be limited. A court may decide not to order specific performance.

The various legal opinions to be delivered concurrently with the original delivery of the Bonds will be qualified as to enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws or legal or equitable principles affecting creditors' rights.

## **THE TRUSTEE**

The Authority has appointed U.S. Bank National Association, a national banking association organized under the laws of the United States, to serve as Trustee. The Trustee is to carry out those duties assigned to it under the Indenture. Except for the contents of this section, the Trustee has not reviewed or participated in the preparation of this Official Statement and assumes no responsibility for the nature, contents, accuracy or completeness of the information set forth in this Official Statement or for the recitals contained in the Indenture or the Bonds, or for the validity, sufficiency, or legal effect of any of such documents.

Furthermore, the Trustee has no oversight responsibility, and is not accountable, for the use or application of the proceeds of such Bonds by the Authority or PNC Group. The Trustee has not evaluated the risks, benefits, or propriety of any investment in the Bonds and makes no representation, and has reached no conclusions, regarding the value or condition of any assets or revenues pledged or assigned as security for the Bonds, the technical or financial feasibility of the Project, or the investment quality of the Bonds, about all of which the Trustee express no opinion and expressly disclaims the expertise to evaluate.

## **TAX TREATMENT**

**Federal Tax Treatment.** Bond Counsel is expected to issue its opinion on the date of closing to the effect that, under existing law, interest on the Series A Bonds is excluded from gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the "***Code***"). Furthermore, interest on the Series A Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, with respect to corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. The opinion set forth in this paragraph is subject to the condition that the Authority and PNC Group comply with all the requirements of the Code that must be satisfied subsequent to the issuance of the Series A Bonds in order that interest thereon be and remain excluded from gross income for federal income tax purposes. Failure to comply with such requirements could cause the interest on the Series A Bonds to be included in gross income retroactively to the date of issuance of the Series A Bonds. The Authority and PNC Group have covenanted to comply with all such requirements.

Bond Counsel is expected to issue an opinion on the date of closing to the effect that interest on the Series B Bonds is included in gross income for federal income tax purposes.

**State Tax Treatment.** Bond Counsel is expected to issue an opinion on the date of closing to the effect that, under existing law, the Bonds are exempt from Pennsylvania personal property taxes in the Commonwealth of Pennsylvania and interest on the Bonds is exempt from Pennsylvania personal income tax and from Pennsylvania corporate net income tax.

The proposed form of opinion of Bond Counsel is attached hereto as Appendix D.

Except as stated above, Bond Counsel will not express any opinion as to any federal, state or local tax consequences resulting from the ownership of, receipt of interest on or disposition of the Bonds.

**Changes in Tax Law.** From time to time, there are legislative proposals in the Congress and in the Pennsylvania General Assembly, including without limitation proposals for real estate tax reform, that, if enacted, could alter or amend the tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. Purchasers of the Bonds should consult their tax advisors regarding any pending or proposed tax legislation. The opinions expressed by Bond Counsel are based upon existing legislation as of the date of issuance and delivery of the Bonds and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation.

## **UNDERWRITING**

The Bonds are being purchased by PNC Capital Markets LLC, as representative of itself and Mesirow Financial, Inc. both of Pittsburgh, Pennsylvania (the "***Underwriters***") pursuant to a purchase contract dated October 26, 2007 between the Underwriters and the Authority (the "***Purchase Contract***"). The Underwriters have agreed to purchase the Bonds subject to the terms of the Purchase Contract at a purchase price of not less than 100% of the principal amount of the Bonds, plus interest accrued on the Bonds from November 15, 2007 to the date of delivery of and payment for the Bonds. For services rendered, the Underwriters shall receive a fee of \$62,075.00. The Purchase Contract provides that the Underwriters will purchase all the Bonds, if any are purchased, in accordance with the terms of the Purchase Contract. The initial public offering prices of the Bonds may be changed by the Underwriters from time to time from the levels set forth on the inside front cover hereof, without any requirement of prior notice. The Underwriters reserve the right to join with other dealers in offering the Bonds to the public, and Bonds may be offered to such other dealers in connection therewith at prices lower than the prices at which such Bonds are offered to the public. Also, the Underwriters may effect transactions that stabilize or maintain the market price of the Bonds above that which might otherwise prevail in the open market and may discontinue such stabilizing transactions at any time.

## **RATING**

Moody's Investors Service has assigned an "A1" long term senior unsecured rating to the Bonds.

An explanation of the significance of such rating may be obtained from such rating agency. There is no assurance that any rating will continue for any given period of time or that it will not be lowered or withdrawn entirely by the rating agency if, in such rating agency's judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

## **ABSENCE OF MATERIAL LITIGATION**

There is no controversy or litigation of any nature now pending or, to the knowledge of the Authority, threatened, that seeks to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contests or affects the validity of the Bonds, any proceedings of the Authority taken with respect to the issuance or sale thereof, any security or the pledge or application of any moneys provided for the payment of the Bonds, the existence or powers of the Authority or the accomplishment of the purposes for which the Bonds are being issued.

## **LEGAL MATTERS**

Certain legal matters will be passed upon by Cohen & Grigsby, P.C., Pittsburgh, Pennsylvania, bond counsel. A copy of the opinion of bond counsel, substantially in the form of Appendix D hereto, will be delivered with the Bonds. Certain other legal matters will be passed upon for the Authority by its General Counsel, Donald A. Kortlandt, Esquire. Certain legal matters will be passed upon for the Underwriters by their co-counsel, Obermayer, Rebmann, Maxwell & Hippel LLP and Thorp Reed & Armstrong, LLP, both of Pittsburgh, Pennsylvania.

## **CONTINUING DISCLOSURE**

The Authority and PNC Group, as the "Obligated Parties", at or prior to delivery of the Bonds, will enter into a Continuing Disclosure Agreement, for the benefit of the holders and beneficial owners of the Bonds. This Continuing Disclosure Agreement will meet the requirements of paragraph (b)(5) of Rule 15c2-12 (the "**Rule**") under the Securities Exchange Act of 1934, as amended, pursuant to which the Obligated Parties will covenant to provide to each nationally recognized municipal securities information repository ("**NRMSIR**") and to the appropriate state information depository in Pennsylvania, if any ("**SID**"), on an annual basis, an update to Appendix C plus a summary of annual real estate taxes assessed against the TIF Parcels and of collections thereof (collectively the "Annual Financial Information") in no event later than 275 days after the end of the fiscal year to which it pertains and to provide to each NRMSIR, or to the Municipal Securities Rulemaking Board ("**MSRB**"), and to the SID (A) prompt notice of a failure to provide the Annual Financial Information in a timely manner and (B) prompt notice of any of the following events with respect to the Bonds, if material: (i) principal and interest payment delinquencies, (ii) non-payment related defaults, (iii) unscheduled draws on debt service reserves reflecting financial difficulties, (iv) unscheduled draws on credit enhancements reflecting financial difficulties, (v) substitution of credit or liquidity providers, or their failure to perform, (vi) adverse tax opinions or events affecting the tax-exempt status of the Bonds, (vii) modifications to rights of the holders of the Bonds, (viii) optional, contingent or unscheduled Bond calls, (ix) defeasances, (x) release, substitution or sale of property securing payment of the Bonds and (xi) rating changes. In lieu of filings with a NRMSIR or SID, such filings may be made with an internet based filing system approved for such purpose by the Securities and Exchange Commission. These covenants, or any part thereof, may be revised from time to time as permitted or required by the Rule, without the consent of the Bondholders, and will terminate upon legal defeasance of the Bonds. The covenants may also be terminated, without the consent of the Bondholders, at such time as the continuing disclosures are no longer required by the Rule. The sole remedy for a breach of the covenants to provide the Annual Financial Information will be an action to compel performance of such covenants. Under no circumstances may monetary damages be assessed or recovered, nor will any such breach constitute a default under the Bonds, the Indenture or the Act.

The Continuing Disclosure Agreement permits and contains provisions to meet the filing and reporting obligations thereunder through a designated agent (the "**Dissemination Agent**") whereby the Obligated Parties provide the necessary material to the Dissemination Agent and the Dissemination Agent makes the filings described above.

The Authority has satisfied all similar secondary market disclosure responsibilities with respect to its other outstanding bond issues in a timely manner.

## **RELATIONSHIPS AMONG THE PARTIES**

PNC Capital Markets LLC is acting as one of the Underwriters of the Bonds. From time to time, in the normal course of business, PNC Capital Markets LLC and PNC Bank may have a credit or other financial relationship with the Authority. PNC Group is an obligated party under the Minimum Payment Agreement. PNC Capital Markets LLC and PNC Bank are both wholly-owned subsidiaries of PNC Group. In addition, Bond Counsel serves as counsel to PNC Bank and the Underwriters from time to time.

### **MISCELLANEOUS**

Reference herein to the Act, the Indenture and the related agreements are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and, accordingly, are qualified by reference to such acts, the Indenture and the Bonds and are subject to the full texts thereof.

Neither this Official Statement nor any advertisement of the Bonds is to be construed as a contract with the holders of the Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so identified, are intended merely as such and not as representations of fact.

### **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**

By: /s/ Patrick B. Ford  
Executive Director



## APPENDIX A

### SUMMARY OF CERTAIN PROVISIONS OF THE TRUST INDENTURE

The following description of certain provisions of the Trust Indenture, dated as of November 1, 2007 (the "**Indenture**"), by and between the Authority and U.S. Bank National Association, as Trustee, is only a brief outline of some of the provisions thereof, and does not purport to summarize or describe all of the provisions thereof. Reference is made to the Indenture for details of the provisions and conditions relating to the Bonds.

#### **Certain Definitions**

Act means the Pennsylvania Urban Redevelopment Law (35 P.S. §1701 et seq.) as amended from time to time.

Authorized Officer means the Executive Director, Deputy Executive Director, Chairman, Vice Chairman or Controller of the Authority or the President or Chief Executive Officer, Chief Financial Officer, a Vice President, Treasurer or Assistant Treasurer of PNC Group or any other person designated to act on behalf of the Authority or PNC Group, as applicable, by written certificate furnished to the Trustee. Such certificate may designate an alternate or alternates. The Authorized Officer and any such alternate may but need not be an employee of the Authority or PNC Group, as the case may be.

Bonds means the Authority's Tax Increment Bonds (Center Triangle Tax Increment Financing District—The PNC Financial Services Group, Inc. Project), Refunding Series A of 2007 (Tax-Exempt) and Refunding Series B of 2007 (Taxable) in the aggregate principal amount of \$9,550,000.

City means the City of Pittsburgh, Allegheny County, Pennsylvania.

Cooperation Agreement means the Cooperation Agreement Regarding Center Triangle Tax Increment Financing District, as amended by Amendment No. 2 (Firstside) dated as of October 15, 1999 and as supplemented by a Supplement dated as of December 23, 2003, by and among the Authority, the City, the County and the School District, as assigned by the Authority to the Trustee.

Cost or Costs in connection with the Project, means "project costs" as defined in the TIF Act. In connection with the redemption of Bonds, "Cost" includes, without limiting the generality of the foregoing, expenses related to the redemption of the Bonds to be redeemed, the redemption price of such Bonds and the accrued interest payable on redemption to the extent not otherwise provided for. Whenever Costs are to be paid under the Indenture, payment may be made to reimburse the Authority, or any other person or entity which has paid or advanced the same.

County means the County of Allegheny, Pennsylvania.

Debt Service Fund means the fund established by Section 402 of the Indenture.

Governmental Obligations means direct obligations of (including obligations issued or held in book entry form on the books of) the Department of Treasury of the United States of America or obligations guaranteed by the United States of America, and includes money market funds invested exclusively in Government Obligations if such fund(s) are rated "Aaa" by Moody's.

Investment Securities means and includes any of the following:

(a) Government Obligations;

(b) obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- Import-Export Bank
- Farm Credit System Financial Assistance Corporation
- Farmers Home Administration
- General Services Administration
- U.S. Maritime Administration
- Small Business Administration
- Government National Mortgage Association
- U.S. Department of Housing & Urban Development
- Federal Housing Administration
- Federal National Mortgage Association
- Federal Home Loan Mortgage Association;

(c) U.S. dollar denominated demand deposit accounts, federal funds and banker's acceptances with domestic commercial banks, including the Trustee or an affiliate of the Trustee, which have a rating on their short term certificates of deposit on the date of purchase or deposit of "A-1" or "A-1+" by Standard & Poor's Corporation ("S&P") and "P-1" by Moody's Investors Service, Inc., ("Moody's") and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank);

(d) investments in a money market fund rated "AAAm," "AAAm-G" or "AA-m" by S&P or "Aaa," "A-1" or "A-2" by Moody's, including any mutual fund for which the Trustee or an affiliate of the Trustee serves as investment manager, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (i) the Trustee or an affiliate of the Trustee receives fees from such funds for services rendered, (ii) the Trustee charges and collects fees for services rendered pursuant to the Indenture, which fees are separate from the fees received from such funds, and (iii) services performed for such funds and pursuant to the Indenture may at times duplicate those provided to such funds by the Trustee or its affiliates;

(e) investment agreements, guaranteed investment contracts or repurchase agreements with banks, including without limitation, the Trustee or an affiliate of the Trustee, bank holding companies, insurance companies or any broker-dealer registered with the Securities and Exchange Commission with retail customers that falls under the protection of the Securities Investors Protection Corporation which, as of the date of execution of the investment agreement, have ratings assigned to their long-term unsecured debt (or claims paying ability) by Moody's which are not lower than the then existing rating on the Bonds.

Minimum Payment Agreement means the Minimum Payment Agreement dated as of November 15, 1999 as amended by an Amendment to Minimum Payment Agreement dated as of November 1, 2007, between The PNC Financial Services Group, Inc. (formerly known as PNC Bank Corp) and the Authority, as assigned by the Authority to the Trustee.

Outstanding, Outstanding under this Indenture or Outstanding hereunder means, with reference to Bonds as of any particular time, all Bonds executed, authenticated, issued and delivered under the Indenture, except:

- (a) Bonds cancelled at or prior to such time;
- (b) Bonds for the payment of which funds shall have been deposited with the Trustee or shall have been set aside by the Trustee for that purpose and which shall have matured by their express terms but which shall not have been surrendered for payment;
- (c) Bonds in substitution for which other Bonds shall have been authenticated and delivered;
- (d) Bonds for the redemption of which funds then shall be held in trust by the Trustee; provided, however, that such redemption shall be required without further action of the Authority, or that notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for such notice or written waivers of such giving of notice shall have been received; and
- (e) Bonds which shall have been purchased and paid for by the Authority or by the Trustee on behalf of the Authority, but which shall not have been delivered for cancellation.

The foregoing, however, is subject to the condition that, for purpose of reference to Owners of a particular percentage of Bonds, there shall be excluded Bonds held by the Authority.

Pledged Increment means certain portions of incremental real estate tax revenue resulting from increases in property values or increases in commercial activity due to redevelopment activities within the TIF District, as further described in the Cooperation Agreement.

Pledged Revenues means (a) the Pledged Increment and other moneys available pursuant to the Cooperation Agreement, (b) the Minimum Payment Agreement, including all amounts becoming due and payable thereunder (except payments due to the Authority pursuant to Section 1008 of the Indenture), (c) all moneys and securities held from time to time by the Trustee in or as part of the funds and accounts held under the Indenture, and (d) proceeds of the foregoing.

Prior Bonds means the Authority's \$9,040,000, aggregate outstanding principal amount, Tax Increment Bonds (Center Triangle Tax Increment Financing District—PNC Bank Corp Project), Series A of 1999 (Tax Exempt) and Series B of 1999 (Taxable).

Rating Service means Moody's Investors Service or any other rating agency which has issued a rating with respect to any Outstanding Bonds.

Registered Owner or Owner or Holder, in connection with a Bond, means the person in whose name the Bond is registered on the Bond Register (as defined in Section 205 of the Indenture).

Revenue Fund means the separate fund established by Section 401 of the Indenture.

School District means the School District of Pittsburgh, a school district of the first class A of the Commonwealth of Pennsylvania.

Settlement Account means the account described in Section 302 of the Indenture.

Supplemental Indenture means an indenture supplemental to the Indenture executed for the purpose of amendments or modifications pursuant to Article IX of the Indenture.

Taxing Bodies means the School District, the City and the County.

TIF Act means the Pennsylvania Tax Increment Financing Act (53 P.S. §6930.1 et seq.) as amended from time to time.

### **Funds and Accounts Created Pursuant to the Indenture**

Settlement Account. Under the Indenture there is created a Settlement Account which shall be held by the Trustee and shall consist of such funds as may be required to be deposited therein in accordance with the Indenture. The moneys in the Settlement Account shall be applied to the payment of the Costs, particularly the redemption of the Prior Bonds and costs of issuance and other purposes in accordance with and subject to the limitations of the Indenture.

Revenue Fund. The Revenue Fund established pursuant to the Indenture shall be held in trust by the Trustee until applied as hereinafter provided. Within the Revenue Fund, the Trustee shall establish separate accounts, as the Authority may direct. The Trustee shall deposit in the Revenue Fund all Pledged Revenues received from the Authority or any other source.

The Trustee is authorized and directed to disburse the moneys on deposit in the Revenue Fund for the following purposes and in the following order:

(a) first, to make any deposits required to be made to the Debt Service Fund pursuant to Section 402;

(b) second, to distribute any excess Pledged Increment to the Taxing Bodies as required by the TIF Plan, and to refund tax payments, but only if the Trustee has received a tax payment that is required by law to be refunded as a result of an assessment appeal or otherwise, and only upon the written direction of the Authority; and

(c) third, to pay Annual Costs then due;

(d) fourth, to reimburse PNC Group for certain payments made pursuant to the Minimum Payment Agreement, as described in the Indenture; and

(e) fifth, to make a deposit to the Redemption Fund which can be used for one or more of the following purposes:

(i) To pay, as and when the same shall become payable, any additional Annual Costs and other costs permitted under the Indenture and the costs of any dissemination agent pursuant to any continuing disclosure agreement and the costs of any rebate calculations done pursuant to the Tax Certificate, as defined in the Indenture;

(ii) To pay debt service due on the Bonds, to the extent there is a deficiency in the Debt Service Fund and no payment has been received under the Minimum Payment Agreement;

(iii) To the optional redemption of Bonds or to the purchase of Bonds at no more than the current redemption price;

(iv) To pay, as and when the same shall become payable, any other debts, liabilities and obligations of the Authority with respect to the Bonds or the Indenture for which provision for payment has not otherwise been made;

(v) For any other lawful purpose, upon receipt of an opinion of counsel acceptable to the Trustee that such use of funds would not adversely effect the tax exemption of the Series A Bonds and is permitted by the TIF Plan and the Cooperation Agreement.

Debt Service Fund. Under the Indenture there is created a special fund known as the Debt Service Fund, which shall be held in trust by the Trustee until applied as therein provided. The Trustee shall make the following withdrawals from the Revenue Fund and deposit such amounts into the Debt Service Fund:

(a) On May 1, 2008 and on each May 1 and November 1 thereafter so long as any of the Bonds shall remain Outstanding, an amount which, together with amounts otherwise on deposit at the time in the Debt Service Fund, is sufficient to pay the semiannual installment of interest due on the Bonds on such May 1 or November 1, as the case may be;

(b) On May 1, 2008 and on each May 1 thereafter so long as any of the Bonds shall remain Outstanding, an amount which, together with amounts on deposit in the Debt Service Fund, is sufficient to pay the principal amount of all Bonds which mature by their express terms or which are subject to purchase or redemption on such May 1 as hereinafter provided, including estimated incidental costs of redemption as such costs are determined by the Trustee.

Investment of Funds. The Trustee shall upon the written instructions of the Authority, deposit or invest in Investment Securities as defined in the Indenture, funds from time to time held in the Revenue Fund, the Debt Service Fund and the Redemption Fund which are not currently required to be applied to payment or redemption of principal of or the payment of interest on the Bonds, provided that such investments shall be subject to withdrawal, or shall mature or be subject to redemption at the option of the holder, as the case may be, not later than the date upon which the proceeds will be required for such payment or redemption. Notwithstanding the foregoing, investments of funds in the Revenue Fund and the Debt Service Fund shall be limited to Government Obligations. All interest and profit shall be deposited in the fund in which it is earned unless otherwise provided in the Indenture. The Trustee is authorized to sell such investments from time to time as cash is required to purchase or redeem Bonds or for other purposes for which the fund was created. The Trustee shall not be responsible nor liable for any loss suffered in connection with any investment or sale thereof made under the Indenture. The investments may be made through the Trustee or any affiliate thereof.

### **Particular Covenants of the Authority**

The covenants of the Authority contained in the Indenture include, without limitation, that the Authority will promptly pay, but only out of Pledged Revenues and any other available moneys as provided in the Indenture, the principal of and interest on every Bond issued and to be issued thereunder and secured thereby at the place and on the dates and in the manner specified therein and in said Bonds according to true intent and meaning thereof.

The Authority covenants and agrees that so long as any of the Bonds are Outstanding, none of the Pledged Revenues shall be used for any purpose other than as provided in the Indenture, and that no contract or contracts shall be entered into or any action taken by which the rights of the Trustee or of the Registered Owners might be impaired or diminished.

## Events of Default and Remedies

The Indenture provides that each of the following shall constitute an "Event of Default":

- (a) Payment of the principal of any of the Bonds shall not be made when the same shall become due and payable at maturity, upon redemption or otherwise; or
- (b) Payment of any installment of interest shall not be made when the same shall become due and payable; or
- (c) The failure of the Authority to observe any other covenant, condition or agreement of the Authority contained in the Bonds or in the Indenture and the continuation of such failure for a period specified therein; or
- (d) The occurrence of an "Event of Default" under the Minimum Payment Agreement or the Cooperation Agreement; or
- (e) The bankruptcy or insolvency of PNC Group or the Authority.

Upon the occurrence of an Event of Default under the Indenture, the Trustee may, and upon written request of the owners of a majority in principal amount of the Bonds then Outstanding, shall, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding to be due and payable immediately, and upon such declaration the said principal, together with the interest accrued thereon, shall become due and payable, immediately, at the place of payment provided thereon, anything in the Indenture or in said Bonds to the contrary notwithstanding. Upon any declaration of acceleration under the Indenture, the Trustee shall provide written notice to PNC Group that PNC Group make immediate payment under the Minimum Payment Agreement in an amount sufficient to pay the principal of and interest on the Bonds which has been declared due and payable.

Upon the happening of any event of default under the Indenture and its continuance for the period, if any, specified in said section, then, in every such case the Trustee, in its discretion may, and upon the written request of the owners of a majority in principal amount of the Bonds then Outstanding, and upon receipt of indemnity to its satisfaction, shall, in its own right: (i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Registered Owners, and require the Authority to carry out any other agreements with or for the benefit of the Registered Owners and to perform its or their duties under the Act; (ii) bring suit upon the Bonds, the Minimum Payment Agreement, or the Cooperation Agreement; (iii) by action or suit in equity require the Authority to account as if it were the trustee of an express trust for the Registered Owners; (iv) by action or suit in equity require the Authority to enjoin any acts or things which may be unlawful or in violation of the rights of the Registered Owners or (v) pursue any other available remedy or take any other action by proceeding at law or in equity to collect moneys or to enforce the performance of any provision of the Bonds, the Indenture, the Minimum Payment Agreement, or the Cooperation Agreement.

In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every case the Authority, the Trustee and the Registered Owners shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

Anything in the Indenture to the contrary notwithstanding, the Owners of a majority in principal amount of the Bonds then Outstanding hereunder, after furnishing indemnity satisfactory to the Trustee

by an instrument in writing, executed and delivered to the Trustee, shall have the right to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be in conflict with any rule of law or with the Indenture nor, in the opinion of the Trustee, unduly prejudicial to the rights of minority Registered Owners.

Application of Money on Event of Default. Any money received by the Trustee in the enforcement of the Indenture pursuant to Article VII, shall be earmarked as to the source thereof and shall be applied:

First: to the payment of the whole amount of principal and interest which shall then be unpaid and owing upon the respective Bonds entitled to such moneys, and in case such moneys shall be insufficient to pay in full the whole amount so due and unpaid, then to the payment of such principal and interest ratably, without preference or priority of principal over interest or of interest over the principal or any installment of interest over any other installment of interest.

Second: to the payment of the fees and expenses of the Trustee, including counsel fees and expenses, and of the receiver, if any, and all costs and disbursements allowed by the court, if there be any court action.

Third: to the payment of the surplus, if any, to the Authority or whoever is lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

## **Amendments**

Without Registered Owners' Consent In addition to Supplemental Indentures otherwise authorized by the Indenture, the Authority and the Trustee may, from time to time and at any time, enter into a Supplemental Indenture without notice to or consent of any Registered Owner: (i) to cure any ambiguity, inconsistency or formal defect or omission, (ii) to grant to the Trustee for the benefit of the Registered Owner's additional rights, remedies, powers or authority, (iii) to subject to the Indenture additional collateral or to add other covenants of the Authority, (iv) to modify the Indenture or the Bonds to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar Federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States, provided that such modification does not materially adversely affect the rights of any Registered Owner, (v) to evidence the succession of a new Trustee or the appointment by the Trustee or the Authority of a co-trustee, (vi) to make any change that does not materially adversely affect the rights of any Registered Owner, including any change or amendment required due to the TIF Plan, Cooperation Agreement, or Minimum Payment Agreement or (vii) to make any change not materially adversely affecting any Registered Owner's rights requested or required by the Rating Service in order (1) to obtain a rating from a Rating Service after the initial issuance of the Bonds if the Bonds are initially issued without a rating or (2) to make any change necessary to maintain any rating on the Bonds.

With Registered Owners' Consent Without the consent of PNC Group and all the holders of all the Bonds Outstanding of the series affected by such modification or amendment, no modification or amendment of the Indenture or a Supplemental Indenture shall be made which would (a) alter the amount or payment date of any payment of principal or interest on the Bonds or the redemption provisions thereof, (b) modify the terms of payment, the prior lien of the Indenture for the security, or the right to enforce payment, of the Bonds or (c) reduce the percentage of consenting Registered Owners. Modifications of the provisions governing the administration of Funds thereunder which do not impair the rights reserved above shall not be deemed to constitute a modification of terms of payment.

Subject to the foregoing limitations, the Indenture may be modified or amended from time to time and at any time with the written consent of the holders of not less than a majority of the Bonds Outstanding, or if such modifications will not affect the Bonds of all series then Outstanding, the written consent of the holders of not less than a majority of the Bonds Outstanding which will be affected.

### **Defeasance of Indenture**

When interest on, and principal or redemption price (as the case may be) of all Bonds issued under the Indenture have been paid, or there shall have been deposited with the Trustee an amount, or specified defeasance obligations sufficient to pay the Bonds in full, as well as all other sums payable hereunder by the Authority, the right, title and interest of the Trustee shall thereupon cease and the Trustee, on demand of the Authority, shall release the Indenture and shall execute such documents to evidence such release as may be reasonably required by the Authority and shall turn over to the Authority or to such person, body or authority as may be entitled to receive the same all balances remaining in any funds thereunder.

If any Bond shall not be presented for payment when the principal thereof shall become due, either at maturity or otherwise, or at the date fixed for the redemption thereof, and if the Authority shall have deposited with the Trustee for the purpose, or left with it in trust if previously so deposited, funds sufficient to pay the principal of such Bond (and the premium if any payable upon the redemption thereof), together with all interest due thereon, to the date of maturity thereof or to the date fixed for redemption thereof, for the benefit of the Owner or Owners thereof, respectively, all liability of the Authority to the Owner of such Bond for the payment of the principal thereof, the interest thereon, and the premium, if any, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold said fund or funds, without liability for interest thereon, for the benefit of the Holder of such Bond who shall thereafter be restricted exclusively to said fund or funds for any claim of whatsoever nature on his part under the Indenture or on, or with respect to, said bond.

Any moneys deposited with the Trustee by the Authority, pursuant to the terms of the Indenture, for the payment of redemption of Bonds which remain unclaimed by the Holders of the Bonds for two (2) years after the date of maturity or the date fixed for redemption, as the case may be, shall be paid to the Authority upon the written request of the Authority if the Authority is not at that time, to the knowledge of the Trustee, in default under the Indenture. Thereafter, such Holders of the Bonds shall look only to the Authority for payment and then only to the extent of the amounts so received without interest thereon; provided, however, that before being required to make any such repayment, the Trustee may at the expense of the Authority cause to be published a notice in a newspaper of general circulation in the City of Pittsburgh, Pennsylvania, to the effect that said moneys remain unclaimed and that after a date named therein said moneys will be returned to the Authority.



## APPENDIX B

### MINIMUM PAYMENT AGREEMENT

The Minimum Payment Agreement dated as of November 15, 1999 between PNC Bank Corp and the Authority and the form of Amendment to Minimum Payment Agreement dated as of November 1, 2007 between PNC Group (formerly known as PNC Bank Corp) and the Authority are attached hereto.

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## AMENDMENT TO MINIMUM PAYMENT AGREEMENT

This AMENDMENT TO MINIMUM PAYMENT AGREEMENT (this "**Amendment**") is executed on \_\_\_\_\_, 2007 and delivered on \_\_\_\_\_, 2007, by and between THE PNC FINANCIAL SERVICES GROUP, INC., a Pennsylvania corporation formerly known as PNC Bank Corp. (the "**Company**"), and the URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH, a public body created and existing pursuant to the Pennsylvania Urban Redevelopment Law, 35 P.S. § 1701 *et seq.*, as amended (the "**Authority**").

### Preamble

WHEREAS, pursuant to a Trust Indenture dated as of November 15, 1999 between the Authority and U.S. Bank National Association, as successor to National City Bank of Pennsylvania, as Trustee, the Authority issued its (a) Tax Increment Bonds (Center Triangle Tax Increment Financing District – PNC Bank Corp Project), Series A of 1999 (Tax-Exempt) in the original principal amount of \$4,180,000 (the "**1999A Bonds**"); and (b) Tax Increment Bonds (Center Triangle Tax Increment Financing District – PNC Bank Corp Project), Series B of 1999 (Taxable) in the original principal amount of \$7,405,000 (the "**1999B Bonds**" and, together with the 1999A Bonds, the "**1999 Bonds**") to finance a portion of the costs of certain projects collectively referred to as the "Firstside Project"; and

WHEREAS, in consideration of the issuance of the 1999 Bonds and pursuant to that certain Minimum Payment Agreement dated as of November 15, 1999 between the Company and the Authority, as recorded in the Office of the Recorder of Deeds of Allegheny County, Pennsylvania in Mortgage Book Volume 19312, Page 192 (the "**Minimum Payment Agreement**"), the Company agreed, among other things, to make certain additional payments with respect to the PNC Pledged Parcels (as defined in the Minimum Payment Agreement); and

WHEREAS, the Authority has determined to advance refund the 1999 Bonds; and

WHEREAS, in order to accomplish such refunding, the Authority has determined to issue (a) \$4,360,000 principal amount of its Tax Increment Bonds (Center Triangle Tax Increment Financing District – The PNC Financial Services Group, Inc. Project) Refunding Series A of 2007 (Tax-Exempt); and (b) \$5,190,000 principal amount of its Tax Increment Bonds (Center Triangle Tax Increment Financing District – The PNC Financial Services Group, Inc. Project) Refunding Series B of 2007 (Taxable) (collectively, the "**Refunding Bonds**") pursuant to a Trust Indenture dated as of November 1, 2007 between the Authority and U.S. Bank National Association, as Trustee; and

WHEREAS, in connection with the issuance of the Refunding Bonds, the Company and the Authority wish to confirm that the Minimum Payment Agreement, as amended hereby, remains in full force and effect.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AND INTENDING TO BE LEGALLY BOUND, THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

1. Amendments to Minimum Payment Agreement. The Minimum Payment Agreement shall be and hereby is amended as follows:

(a) The first paragraph of Section 5(b) of the Minimum Payment Agreement is hereby deleted and replaced with the following:

“(b) Beginning in calendar year 2001 and thereafter during the term of this Agreement, the Company additionally agrees that if the total Pledged Increment due to the City, County and/or School District with respect to the PNC Pledged Parcels in any year is less than amounts set forth on Exhibit B hereto, then the Company shall pay to the Authority or its assignee an amount for such year equal to the difference between the total Pledged Increment due and the amount shown on Exhibit B hereto (the “Additional Payment”). (The Pledged Increment, together with any such Additional Payment herein referred to as the “Minimum Payment.”) Such Additional Payment shall be paid to the Authority or its assignee on or before April 1 of each year. Notwithstanding any contrary provisions of this Agreement, in the event of any acceleration of the Bonds under the Trust Indenture pursuant to which such Bonds were issued, the Company shall, upon receipt of notice from the Trustee, make immediate payment hereunder in an amount sufficient to pay the principal of and interest on the Bonds which has been declared due and payable.

(b) The second sentence of Section 16 of the Minimum Payment Agreement is hereby deleted and replaced with the following: “The Company shall not assign its rights or delegate its obligations hereunder without (i) the prior written consent of the Authority, which shall not be unreasonably withheld or delayed and (ii) written confirmation from each rating agency then providing a rating for the Bonds that such assignment will not result in a reduction of the then current Bond rating.”

(c) Exhibit B to the Minimum Payment Agreement is hereby deleted and replaced with the form of Exhibit B attached to this Amendment.

2.  Ratification and Effect. The parties agree and confirm that all terms and provisions of the Minimum Payment Agreement, as amended hereby, remain in full force and effect. The parties agree and confirm that the Refunding Bonds constitute and represent "refunding obligations" as such term is used in the definition of "Bonds" contained in the Minimum Payment Agreement. This Amendment shall be recorded in the real estate records of Allegheny County, Pennsylvania and shall be binding upon the Company and any subsequent purchaser, assignee or transferee of any of the PNC Pledged Parcels during the term of the Minimum Payment Agreement, as amended hereby.

3.  Miscellaneous. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. This Amendment embodies the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior oral and written, and all contemporaneous oral, understandings, negotiations, or communications on behalf of such parties with respect to such subject matter. This Amendment may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Amendment shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Pennsylvania. This Amendment shall inure to the benefit of the parties and their respective successors and permitted assigns.

WITNESS the due execution hereof as of the date first above written.

ATTEST:

URBAN REDEVELOPMENT AUTHORITY OF  
PITTSBURGH

By: \_\_\_\_\_  
(seal)

By: \_\_\_\_\_  
(Vice) Chairman

ATTEST:

THE PNC FINANCIAL SERVICES GROUP,  
INC.

By: \_\_\_\_\_  
(seal)

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA )  
 ) ss  
COUNTY OF ALLEGHENY )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the **(Vice) Chairman** of the **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**, a body corporate and politic, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said Authority by himself as such (Vice) Chairman.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal.

My Commission Expires:

Notary Public

COMMONWEALTH OF PENNSYLVANIA )  
 ) ss  
COUNTY OF ALLEGHENY )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be the \_\_\_\_\_ of **THE PNC FINANCIAL SERVICES GROUP, INC.**, a Pennsylvania corporation, and that he/she as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said corporation by himself/herself as such officer.

**IN WITNESS WHEREOF**, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

## **Exhibit B**

### **Minimum Payment**

(includes Annual Costs)

<b><u>Date</u></b>	<b><u>Amount</u></b>
April 1, 2008	\$1,049,320.43
April 1, 2009	\$1,054,946.25
April 1, 2010	\$1,050,990.75
April 1, 2011	\$1,055,162.00
April 1, 2012	\$1,052,281.75
April 1, 2013	\$1,057,208.13
April 1, 2014	\$1,054,840.75
April 1, 2015	\$1,056,984.75
April 1, 2016	\$1,052,350.50
April 1, 2017	\$1,054,031.50
April 1, 2018	\$1,057,726.00
April 1, 2019	\$1,072,891.00



## MINIMUM PAYMENT AGREEMENT

This **MINIMUM PAYMENT AGREEMENT** is dated as of November 15, 1999 and is by and between **PNC BANK CORP**, a Pennsylvania corporation having its principal place of business in Pittsburgh, Pennsylvania, (the "Company") and the **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH**, a body corporate and politic formed and existing under the laws of the Commonwealth of Pennsylvania ("Authority").

### WITNESSETH:

WHEREAS, the Authority will issue tax increment bonds in the principal amount of \$11,585,000 (the "Bonds", as further defined herein) pursuant to a Trust Indenture (the "Trust Indenture"), between the Authority and National City Bank of Pennsylvania (the "Trustee") and pursuant to the 1999 Center Triangle Tax Increment Financing Plan (the "TIF Plan") for the Center Triangle Tax Increment Financing District, as amended by Amendment No. 2; and

WHEREAS, the Pledged Parcels, with respect to real estate taxes, as set forth in the TIF Plan are the following four tax parcels: 2-N-5; 2-J-300-A; 2-J-300-C; 2-J-300-E (the "Pledged Parcels"); and

WHEREAS, on Pledged Parcels 2-J-300-A, 2-J-300-C and 2-J-300-E (the "PNC Pledged Parcels") the Company or a subsidiary of the Company, as lessee, intends to construct an approximately 620,000 sq. ft. office building (the "Company Development") and on Pledged Parcel 2-N-5 it is expected that the Port Authority of Allegheny County will construct a light rail transit station (the "Transit Station"); and

WHEREAS, pursuant to the terms of the Trust Indenture, the TIF Plan, the Cooperation Agreement, as hereinafter defined, and the PAT Grant Agreement, as hereinafter defined, approximately \$4,000,000 of the proceeds of the Bonds will be made available to the Port Authority of Allegheny County, in order to fund costs associated with the construction of the Transit Station and approximately \$7,225,000 of the proceeds of the Bonds will be made available to the Authority to fund costs of redevelopment activities in the Fifth Avenue and Forbes Avenue retail corridor, all in accordance with the terms of the TIF Plan and the Cooperation Agreement (the "Projects"); and

WHEREAS, the Bonds are limited obligations of the Authority payable from the sources described in the Trust Indenture (the "Pledged Revenues") which include the Pledged Increment and the Additional Payment (each as defined herein) payable hereunder; and

WHEREAS, the execution and delivery of this Agreement is necessary consideration for issuance of the Bonds and will be assigned to the Trustee as security for the Bonds.

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, AND INTENDING TO BE LEGALLY BOUND, THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

**Section 1. Defined Terms.**

In addition to the terms defined in the recitals hereto, the following terms shall be used as so defined. Other capitalized terms used herein and not defined herein shall have the meaning assigned to such term in the Trust Indenture or the Cooperation Agreement.

"Annual Costs" shall mean the \$10,000 annual administrative fee of the Authority, the cost of the annual audit, the annual costs and expenses of the Trustee, the annual costs associated with the tax funds and the tax increment fund and other customary costs and expenses associated with the financing.

"City" shall mean the City of Pittsburgh, Pennsylvania.

"Cooperation Agreement" shall mean the Cooperation Agreement Regarding Center Triangle Tax Increment Financing District, As Amended By Amendment No. 2, dated as of October 15, 1999 by and among the City, the County, the School District and the Authority.

"County" shall mean the County of Allegheny, Pennsylvania.

"County Assessor" shall mean the Board of Property Assessment, Appeals and Review of Allegheny County.

"Bonds" shall mean the Authority's Tax Increment Bonds (Center Triangle Tax Increment Financing District - PNC Bank Corp Project) Series A of 1999 (Tax Exempt) and Series B of 1999 (Taxable) in the total aggregate principal amount of \$11,585,000, dated November 15, 1999, with respect to the Center Triangle Tax Increment Financing District, as amended by Amendment No. 2, together with any refunding obligations thereof; provided, however, the refunding obligations shall not have a final maturity later than the final maturity of the Bonds and shall result in debt service savings.

"PAT Grant Agreement" shall mean the Grant Agreement between the Authority and the Port Authority of Allegheny County pursuant to which approximately \$4,000,000 of the proceeds of the Bonds will be made available for funding costs of the light rail transit station.

"Pledged Increment" shall mean (a) 75% of the increased real estate tax payments attributable to the City and the County and (b) 50% of the increased real estate tax revenues attributable to the School District, in each case as is related to the Pledged Parcels due as a result of any increase, as determined by the County Assessor, in market value from the base fair market value set forth in Section 2 hereof, and any pledged tax payments attributable to replacement taxes as described in the Cooperation Agreement. Provided, however, the term "Pledged Increment" does not include (1) increased real estate tax payments due as a result of tax millage in excess of the "Pledged Millage" nor (2) increased real estate tax payments due to increased assessed value, to the extent such amounts are in excess of the amounts listed on Exhibit B hereto, nor (3) any amount of tax payments required by law to be returned to the taxpayer as a result of a tax appeal or otherwise are not included in the term "Pledged Increment."

"Pledged Millage" shall mean the following millages, as set forth in the TIF Plan:

City - land - .1845; City - building - .0320; County - .0252; School District - .0597.

"School District" shall mean the School District of Pittsburgh, Pennsylvania.

**Section 2. Determination of Base Taxes.** The County Assessor has determined and the Company herein agrees that the base fair market value of the PNC Pledged Parcels as of July 22, 1999, the date Amendment No. 2 to the Center Triangle Tax Increment Financing District became effective, was as follows:

	<u>Land</u>	<u>Building</u>	
2-J-300-A	\$ 979,000	0	(PNC building)
2-J-300-C	2,352,000	0	(PNC building)
2-J-300-E	<u>607,000</u>	<u>0</u>	(PNC building)
	\$3,938,000	0	

**Section 3. Estimated Initial Increased Valuation.** The amount of the Minimum Payment (as defined in Section 5(b) below) was based upon certain projections as to the fair market value at completion of the PNC Project as set forth in the TIF Plan.

**Section 4. No Contest of Valuation, Assessment or Taxability.** (a) The Company hereby irrevocably waives during the term of this Agreement any rights it may have to protest the valuation of fair market value or assessed valuation based thereon of the PNC Pledged Parcels by the County Assessor if the effect of such protest is to reduce the Pledged Increment with respect to the PNC Pledged Parcels to less than \$1,115,587, annually.

Additionally, the Company hereby irrevocably agrees that, during the term of this Agreement, it will not file any application or document seeking any exemption of the PNC Pledged Parcels from real estate taxation. The provisions of this Agreement do not limit the Taxing Bodies' right to appeal real estate taxes with respect to the PNC Pledged Parcels and are not intended to be evidence of the Taxing Bodies' determination of fair market value with respect to the PNC Pledged Parcels.

(b) Notwithstanding the foregoing, if the fair market value of the PNC Pledged Parcels is nevertheless reduced or determined to be below the amounts listed in 4(a) above and/or if the assessment ratio is reduced, the Company shall only be obligated to pay real estate taxes based on the reduced market value or reduced assessment ratio. In such case, however, Company shall be obligated to make payments as required by Section 5(b) hereof. Additionally, if real estate taxes are abolished or if the PNC Pledged Parcels are found to be exempt from real estate taxes, Company shall be obligated to make payments as required by 5(b) hereof.

(c) In compliance with the terms of the Cooperation Agreement and upon direction of the County, Company shall make payment of all real estate payments due the County with respect to the PNC Pledged Parcels to Chase Manhattan Trust Company, National Association, or such other bank as required by the Cooperation Agreement, for deposit to the "County Real Estate Tax Fund-TIF Projects." In compliance with the Cooperation Agreement and upon direction of the City, the Company shall make payment of all real estate tax payments due the

City and the School District with respect to the PNC Pledged Parcels to Chase Manhattan Trust Company, National Association, or such other bank as required by the Cooperation Agreement, for deposit to the "City/School District Real Estate Tax Fund-TIF Projects."

**Section 5. Additional Payment.** (a) During the term of this Agreement, the Company agrees to pay or cause to be paid, when due or by April 1 of each year, whichever is earlier, the annual real estate taxes due to the City, County and/or School District with respect to the PNC Pledged Parcels in such year.

(b) Beginning in calendar year 2001 and thereafter during the term of this Agreement, the Company additionally agrees that if the total Pledged Increment due to the City, County and/or School District with respect to the PNC Pledged Parcels in any year is less than the amounts set forth on Exhibit B hereto, then the Company shall pay to the Authority or its assignee an amount for such year equal to the difference between the total Pledged Increment due and the amount shown on Exhibit B hereto (the "Additional Payment"). (The Pledged Increment together with any such Additional Payment herein referred to as the "Minimum Payment".) Such Additional Payment shall be paid to the Authority or its assignee on or before April 1 of each year. Authority shall deposit or cause to be deposited such amounts in the Tax Increment Fund held pursuant to the Cooperation Agreement.

The Authority will endeavor to notify the Company by or before March 15 of each year if and to what extent an Additional Payment, as described above, will be due for such year.

If in any year, the Company does not receive a tax bill from the Taxing Bodies on or before March 15 for real estate taxes or any replacement taxes as described in Section 3 of the Cooperation Agreement, and therefore pays an Additional Payment by April 1 in an amount which includes the amount of real estate taxes or replacement taxes which are thereafter billed to and paid by the Company, the Trust Indenture shall provide that if and to the extent such real estate taxes or replacement taxes are received in the Tax Increment Fund after April 1, an equal amount of the Additional Payment shall be refunded to the Company within 10 working days.

Any Additional Payment due hereunder not paid on the due date thereof shall, to the extent permissible by law, bear a per annum late charge equal to the interest rate on the Bonds.

All payments due under this Section 5, unless otherwise directed by the Authority, shall be made to the Authority for deposit and allocation to the "Center Triangle TIF District - Amendment No. 2 Tax Increment Fund" held by the Authority pursuant to the Cooperation Agreement.

**Section 6. Events of Default.** Each of the following shall constitute an Event of Default hereunder:

a) the Company shall fail to pay any amount due pursuant to Section 5 hereof within 5 days of the due date; or

b) the Company shall fail to perform or observe any other covenant, condition or agreement to be performed or observed by it with respect to this Agreement and such failure shall continue unremedied for a period specified in this Section below; or

c) any case, proceeding or other action against the Company, or any of its general partners, shall be commenced seeking to have an order for relief entered against it as debtor or to adjudicate it a bankrupt or insolvent or seeking a reorganization, arrangement, adjustment, liquidation, dissolution or composition of or in respect to the Company, or any of its general partners, in any involuntary proceeding or case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal, foreign or state bankruptcy, insolvency or other similar law, or seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, or sequestrator (or other similar official) of the Company, or any of its general partners, or of any substantial part of its property or ordering the winding up or liquidation of its affairs, and such case, proceeding or other action results in the entry of an order for relief against the Company, or any of its general partners, which continues unstayed and in effect for a period of 90 consecutive days; or

d) the Company shall admit in writing its inability to pay its debts generally, as they become due, or shall make a general assignment for the benefit of creditors; or the Company shall commence any case, proceeding or other action seeking to have an order for relief entered on its behalf as debtor or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, liquidation, dissolution or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors or seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or a major part of its property; or the Company shall take any corporate action to authorize or in contemplation of any of the actions set forth in this paragraph (d).

A default under (b) above is not an Event of Default until the Authority gives the Company, a written notice specifying the default, demanding that it be remedied and stating that the notice is a "Notice of Default," and the Company does not cure the default within 30 days after receipt of the notice, or within such longer period as to which the Authority shall agree. The Authority shall not unreasonably refuse, upon the written request of the Company specifying the amount of time reasonably necessary to cure such default and the steps being taken to cure such default and undertaking to diligently pursue such cure, to agree to a longer period if the default cannot reasonably be cured within 30 days after receipt of the notice and the Company has begun within 10 days and continues diligent efforts to correct the default.

The Authority may rescind an acceleration and its consequences if all existing Events of Default have been cured or waived, if the rescission would not conflict with any judgment or decree and if all payments due hereunder have been made.

**Section 7. Remedies.** Upon the occurrence of an Event of Default, the Authority, at its option, may:

a) bring an action against the Company, its successor or assignee, or successor in leasehold title to specifically enforce the provisions of this Agreement and/or to collect any sums due hereunder;

b) declare the full amount of all remaining Minimum Payments to be immediately due and payable (without regard to whether taxes which may be a part thereof

have actually become due) but only to the extent necessary to defease the Bonds and make all other payments due under the Trust Indenture; or

c) pursue any other remedy at law or in equity to which the Authority may be entitled.

No remedy conferred upon or reserved to the Authority by this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, now or hereafter existing at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair that right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it in this Section, it shall not be necessary to give any notice, other than any notice required by law or for which express provision is made herein.

**Section 8. *Third Party Beneficiaries.*** If any of the provisions of the Agreement are breached, the trustee for the holders of the Bonds shall be entitled, but not required, to enforce the provisions hereof and to pursue remedies as a third party beneficiary.

**Section 9. *Consideration.*** This Agreement is being entered into by the Company in consideration of the Authority's issuance of the Bonds and the funding of the Projects, which Projects the Company has determined will be of benefit to it.

**Section 10. *Covenants to Run With Land.*** This Agreement shall be recorded in the real estate records of the County and the provisions of this Agreement shall be binding upon the Company and any subsequent lessee, purchaser, assignee or transferee of the Company's leasehold interest in the PNC Pledged Parcels during the term of this Agreement.

**Section 11. *Option of Project.*** Although the Company intends to operate, or cause to be operated, the Company Development for its designated purposes until the date on which no Bonds are outstanding, the Company is not required by this Agreement to occupy or operate, or cause to be occupied or operated, any portion of the Company Development after the Company shall deem in its discretion that such continued occupancy or operation is not advisable, and in such event it is not prohibited by this Agreement from selling, leasing, retiring or vacating all or any such portion of the Company Development. Provided, however, that no such sale, lease or other disposition of all or any portion of the Company Development shall reduce, or otherwise affect the Company's obligation to pay amounts due under Section 5 hereof.

**Section 12. *No Defense or Set-Off.*** The obligations of the Company to make the payments required hereunder shall be absolute and unconditional without defense or set-off for any reason, including (a) any default by the suppliers, materialmen or laborers, or any default under the construction contracts or by the Authority under this Agreement, or under any other agreement between the Company and the Authority, or for any other reason, including without limitation, failure to complete the construction or equipping of the project, (b) any acts or circumstances that may constitute failure of consideration, destruction of or damage to the project, commercial frustration of purpose, (c) sale of the Company Development by the

Company or failure to occupy the Company Development by the Company, or (d) if the Transit Station is not constructed or is not operated during any part of the term of this Agreement. It being the intention of the parties that the payments required hereunder will be paid in full when due without any delay or diminution whatsoever.

The obligations of the Company hereunder are unconditional, irrespective of the legality or enforceability of such obligations, the absence of any action by the Authority to enforce the obligations, the waiver of the Authority of any provisions of this Agreement, the institution of any action to enforce the same or the existence of any circumstances which might, absent the unconditional nature of Company's agreement, constitute a legal or equitable discharge.

**Section 13. *Term.*** This Agreement shall become effective upon the delivery of the Bonds and shall continue in force until the Bonds have been fully paid or provision for such payment has been made.

**Section 14. *Counterparts.*** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 15. *Severability.*** If any provision of this Agreement shall be held or deemed to be, or shall in fact be, inoperative or unenforceable under law or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

**Section 16. *Successors and Assigns.*** All of the covenants and representations contained in this Agreement shall bind and inure to the benefit of the respective successors and assigns of the parties hereto. Except for any assignment or delegation to any parent or operating subsidiary of the Company or to a corporation or partnership with which it may merge or consolidate or is otherwise affiliated with the Company, the Company shall not assign its rights or delegate its obligations hereunder without the prior consent of the Authority, which shall not be unreasonably withheld or delayed.

**Section 17. *Governing Law.*** This Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

**Section 18. *TIF Plan.*** The Company has reviewed and participated in the preparation of the TIF Plan and considers the assumptions made therein with respect to the Company Development to be reasonable.

WITNESS the due execution hereof as of the day and the year first mentioned above.

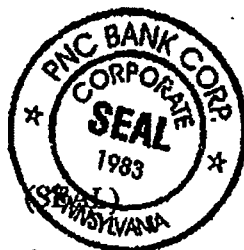
URBAN REDEVELOPMENT AUTHORITY  
OF PITTSBURGH

By \_\_\_\_\_

(SEAL)

Attest:

By \_\_\_\_\_  
(Assistant) Secretary



Attest:

By Juditha B. B...  
Vice President

PNC BANK CORP.

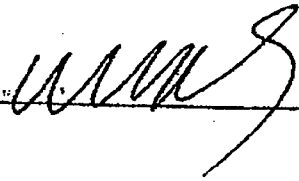
By [Signature]



WITNESS the due execution hereof as of the day and the year first mentioned above.

URBAN REDEVELOPMENT AUTHORITY  
OF PITTSBURGH

By \_\_\_\_\_



(SEAL)

Attest:

By \_\_\_\_\_

  
(Assistant) Secretary

PNC BANK CORP.

By \_\_\_\_\_

(SEAL)

Attest:

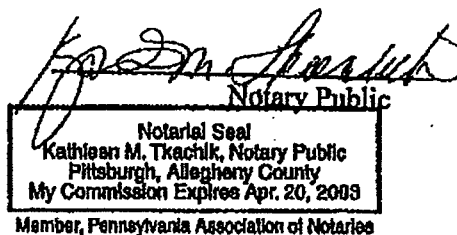
By \_\_\_\_\_

COMMONWEALTH OF PENNSYLVANIA )

COUNTY OF ALLEGHENY ) ss

On this, the 3rd day of November, 1999, before me, the undersigned Notary Public, personally appeared Mulugetta Birru, who acknowledged himself to be the **EXECUTIVE DIRECTOR** of the **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** body corporate and politic, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said Authority by himself as such Executive Director.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA )

COUNTY OF ALLEGHENY ) ss

On this, the \_\_\_ day of \_\_\_\_\_, 199\_, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, who acknowledged himself to be \_\_\_\_\_ of **PNC BANK CORP.**, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said Company by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ALLEGHENY

)  
) ss  
)

On this, the \_\_\_\_ day of \_\_\_\_\_, 199\_, before me, the undersigned Notary Public, personally appeared Mulugetta Birru, who acknowledged himself to be the **EXECUTIVE DIRECTOR** of the **URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH** body corporate and politic, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said Authority by himself as such Executive Director.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ALLEGHENY

)  
) ss  
)

On this, the 30<sup>th</sup> day of November, 1999, before me, the undersigned Notary Public, personally appeared Gary Jay Jackson who acknowledged himself to be Senior V.P. of **PNC BANK CORP.**, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of said Company by himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Sara Lou Haftl  
Notary Public

My Commission Expires:

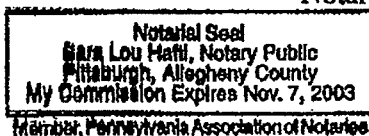


EXHIBIT A

DESCRIPTION OF PNC PLEDGED PARCELS (REAL ESTATE TAX PLEDGE)

Lot and Block 2-J-300-A; 2-J-300-C; 2-J-300-E.

(legal description to be attached)

ALL that certain parcel of land situate in the First Ward, City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania being more particularly bounded and described as follows:

BEGINNING at the point of intersection of the Southwesterly right of way line of First Avenue and the Southeasterly right of way line of Grant Street; thence from said point of beginning and along the Southwesterly right of way line of First Avenue the following seven (7) courses and distances:

1. South 63 degrees 42' 30" East, a distance of 104.65 feet to a point;
2. by a curve to the left having a radius of 33.00 feet for an arc distance of 9.11 feet, to a point (the chord of said arc having a bearing of North 71 degrees 37' 07" West and a length of 9.08 feet);
3. South 63 degrees 42' 30" East, a distance of 9.00 feet to a point;
4. South 63 degrees 42' 30" East, a distance of 439.91 feet to a point;
5. South 63 degrees 42' 30" East, a distance of 9.67 feet to a point;
6. by a curve to the left, having a radius of 38.00 feet for an arc distance of 9.78 feet to a point (the chord of said arc having a bearing of North 56 degrees 20' 24" West, and a length of 9.75 feet);
7. South 63 degrees 42' 30" East, a distance of 85.54 feet to a point on land now or formerly of Pittsburgh Outdoor Advertising Corporation;

thence by said lands, by a curve to the left having a radius of 23.00 feet for an arc distance of 26.42 feet to a point (the chord of said arc having a bearing of South 59 degrees 04' 35" West and a length of 24.99 feet); thence by same, South 26 degrees 10' 22" West, a distance of 102.53 feet to a point; thence by same, South 63 degrees 49' 38" East, a distance of 19.00 feet to a point on the Northwesterly right of way line of the Port Authority of Allegheny County; thence by said right of way line of the Port Authority of Allegheny County and land now or formerly of the Urban Redevelopment Authority of Pittsburgh, South 26 degrees 10' 22" West, a distance of 253.72 feet to a point on the Northerly right of way line of the Westbound Parkway; thence along said right of way line the following fifteen (15) courses and distances:

1. North 58 degrees 50' 19" West, a distance of 24.46 feet to a point;
2. a curve to the right having a radius of 1383.00 feet for an arc distance of 46.38 feet to a point (the chord of said arc having a bearing of North 57 degrees 52' 41" West and a length of 46.38 feet);
3. North 57 degrees 31' 28" West, a distance of 24.92 feet to a point;
4. North 56 degrees 23' 13" West, a distance of 24.68 feet to a point;
5. North 55 degrees 22' 24" West, a distance of 24.72 feet to a point;
6. North 54 degrees 29' 11" West, a distance of 24.76 feet to

- 7. a point;  
North 53 degrees 43' 30" West, a distance of 24.79 feet to a point;
- 8. a point;  
North 53 degrees 05' 36" West, a distance of 24.83 feet to a point;
- 9. a point;  
North 52 degrees 35' 12" West, a distance of 25.02 feet to a point;
- 10. a point;  
North 53 degrees 12' 24" West, a distance of 24.76 feet to a point;
- 11. a point;  
North 50 degrees 57' 12" West, a distance of 24.80 feet to a point;
- 12. a point;  
North 51 degrees 49' 36" West, a distance of 25.13 feet to a point;
- 13. a point;  
North 51 degrees 48' 20" West, a distance of 255.12 feet to a point;
- 14. a point;  
North 38 degrees 11' 40" East, a distance of 1.25 feet to a point;
- 15. a point;  
North 51 degrees 48' 20" West, a distance of 24.13 feet to a point at the intersection of said right of way line of the Westbound Parkway and the Southeasterly right of way line of Grant Street;

thence along said right of way line of Grant Street, by a curve to the right having a radius of 45.00 feet for an arc distance of 44.68 feet to a point (the chord of said arc having a bearing of North 23 degrees 21' 35" West, and a length of 42.87 feet); thence by same, by a curve to the right having a radius of 261.77 feet for an arc distance of 100.85 feet to a point (the chord of said arc having a bearing of North 16 degrees 07' 24" East and a length of 100.22 feet); thence by same, North 27 degrees 09' 45" East, a distance of 142.99 feet to a point, the place of beginning.

Containing 4.665 acres.

BEING designated as Block 2-J, Lots 300-A. in the Deed Registry Office of Allegheny County, Pennsylvania.

EXHIBIT B  
MINIMUM PAYMENT

April 1, 2001	\$1,115,587*
April 1, 2002	\$1,115,587*
April 1, 2003	\$1,115,587*
April 1, 2004	\$1,115,587*
April 1, 2005	\$1,115,587*
April 1, 2006	\$1,115,587*
April 1, 2007	\$1,115,587*
April 1, 2008	\$1,115,587*
April 1, 2009	\$1,115,587*
April 1, 2010	\$1,115,587*
April 1, 2011	\$1,115,587*
April 1, 2012	\$1,115,587*
April 1, 2013	\$1,115,587*
April 1, 2014	\$1,115,587*
April 1, 2015	\$1,115,587*
April 1, 2016	\$1,115,587*
April 1, 2017	\$1,115,587*
April 1, 2018	\$1,115,587*
April 1, 2019	\$1,115,587*

\*includes Annual Costs

EXHIBIT C  
TAX BASE<sup>(1)</sup>

<u>Lot and Block No.</u>	<u>Land</u>	<u>Building</u>
2-J-300-A	\$ 979,000	0
2-J-300-C	2,352,000	0
2-J-300-E	607,000	0

<sup>(1)</sup>Market value as of July 22, 1999.



MINIMUM PAYMENT AGREEMENT

Between:

PNC Bank Corp  
One PNC Plaza  
249 Fifth Avenue  
Pittsburgh, PA 14222-2719

And

Urban Redevelopment Authority of Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219

Mail To:

Mary K. Conturo  
Kutak Rock LLP  
437 Grant Street  
Suite 414  
Pittsburgh, PA 15219

*[Handwritten signature]*

DEC 2 09 20 94 28

*[Handwritten signature]*

DEC 2 10 33 AM '99

POSTMASTER: RETURN TO  
MICHAEL A. DEBIA VEDICHA

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## APPENDIX C

### THE PNC FINANCIAL SERVICES GROUP, INC.

**This summary incorporates by reference certain Call Reports of PNC Bank, National Association ("PNC Bank") filed with the Office of the Comptroller of the Currency ("OCC"), and certain reports of its ultimate parent, The PNC Financial Services Group, Inc. ("PNC Group"), filed with the Securities and Exchange Commission ("SEC"). An investor should read these reports and the information set forth below under the headings "PNC Bank and PNC Group" and "Supervision and Regulation." Investors should also understand that, except to the limited extent described herein, this summary does not describe the business or analyze the condition, financial or otherwise, of PNC Bank, PNC Group or otherwise describe any risks associated with PNC Bank or PNC Group. Investors must rely on their own knowledge, investigation and examination of PNC Bank's and PNC Group's creditworthiness. Neither PNC Bank nor PNC Group makes any representation regarding the Bonds or the advisability of investing in the Bonds, nor do they make any representation regarding, nor has PNC Bank or PNC Group participated in the preparation of, any document of which this summary is a part other than the information supplied by PNC Bank or PNC Group and presented in this Appendix C.**

**THE MINIMUM PAYMENT AGREEMENT REFERENCED IN THIS OFFICIAL STATEMENT IS AN OBLIGATION OF PNC GROUP ONLY.**

#### **PNC BANK AND PNC GROUP**

PNC Bank is a national banking association with its principal office in Pittsburgh, Pennsylvania. PNC Bank's origins as a national bank date to 1864. PNC Bank and its subsidiaries offer a wide range of commercial banking, retail banking, and trust and wealth management services to their customers. PNC Bank's business is subject to examination and regulation by federal banking authorities. Its primary federal bank regulatory authority is the OCC and its deposits are insured by the Federal Deposit Insurance Corporation. PNC Bank is a wholly-owned indirect subsidiary of PNC Group, a Pennsylvania corporation, and is PNC Group's principal bank subsidiary. At June 30, 2007, PNC Bank had total consolidated assets representing approximately 91% of PNC Financial's consolidated assets.

PNC Group was incorporated under the laws of the Commonwealth of Pennsylvania in 1983 with the consolidation of Pittsburgh National Corporation and Provident National Corporation. Since 1983, PNC Group has diversified its geographic presence, business mix and product capabilities through internal growth and strategic bank and non-bank acquisitions and the formation of various non-banking subsidiaries. PNC Group is one of the largest diversified financial services companies in the United States, operating businesses engaged in retail banking, corporate and institutional banking, asset management, and global fund processing services. PNC Group operates directly and through numerous subsidiaries, providing many of its products and services nationally and others in PNC Group's primary geographic markets in Pennsylvania, New Jersey, Delaware, Ohio, Kentucky, and the greater Washington, D.C. area. PNC Group also provides certain asset management and global fund processing services internationally.

On January 18, 2005, PNC Group's ownership in its indirect subsidiary BlackRock, Inc. was transferred from PNC Bank to PNC Group's intermediate bank holding company PNC Bancorp, Inc., which is PNC Bank's direct parent. This transfer resulted in a reduction in regulatory capital for PNC Bank of approximately \$500 million. PNC Bank's capital was replenished in January 2005 by the bank's issuance of \$500 million of preferred stock, on an intercompany basis, to the top tier parent company of PNC Group. On May 13, 2005, PNC Group completed its acquisition of Riggs National Corporation, a Washington, D.C. banking company, and PNC Bank acquired substantially all of the assets of Riggs Bank National Association, the principal banking subsidiary of Riggs. PNC Group subsequently converted the operations of Riggs Bank to the operations of PNC Bank. The Riggs acquisition added 51 branches in the metropolitan Washington, D.C. area and resulted in the addition of approximately \$1.5 billion of loans (net of unearned income) and \$1.8 billion of deposits to PNC Group's average consolidated balance sheet for the second quarter of 2005.

At June 30, 2007, PNC Group had consolidated total assets, deposits, and shareholders' equity of \$94.9 billion, \$63.5 billion, and \$8.8 billion, respectively. At December 31, 2005, the comparable amounts were \$92.0 billion, \$60.3 billion, and \$8.6 billion, respectively. At June 30, 2007, PNC Bank had total assets of \$85.9 billion, total loans (net of unearned income) and loans held for sale of \$50.9 billion, total deposits of \$62.6 billion, and total equity capital of \$6.4 billion. The comparable amounts at December 31, 2005 were \$82.9 billion, \$49.3 billion, \$59.4 billion, and \$6.3 billion, respectively.

### **Supervision and Regulation**

PNC Group is a bank and financial holding company and is subject to numerous governmental regulations involving both its business and organization. Its businesses are subject to regulation by multiple bank regulatory bodies as well as multiple securities industry regulators. Applicable laws and regulations restrict PNC Group's ability to repurchase stock or to receive dividends from bank subsidiaries and impose capital adequacy requirements. They also restrict permissible activities and investments and require compliance with protections for loan, deposit, brokerage, fiduciary, mutual fund and other customers, and for the protection of customer information, among other things. The consequences of noncompliance can include substantial monetary and nonmonetary sanctions as well as damage to the company's reputation and business.

In addition, PNC Group and PNC Bank are subject to comprehensive examination and supervision by banking and other regulatory bodies. Examination reports and ratings (which often are not publicly available) and other aspects of this supervisory framework can materially impact the conduct, growth, and profitability of their businesses. Over the last several years, there has been an increasing regulatory focus on compliance with anti-money laundering laws and regulations, resulting in, among other things, several significant publicly-announced enforcement actions, including those relating to Riggs National Corporation. There has also been a heightened focus recently, by customers and the media as well as by regulators, on the protection of confidential customer information. In response to this environment, PNC Group and PNC Bank are working to enhance procedures for compliance with laws and regulations in these areas. A failure to have adequate procedures to comply with anti-money laundering laws and regulations or to protect the confidentiality of customer information could expose the company to damages, fines and regulatory penalties, which could be significant, and could also injure the company's reputation with customers and others with whom it does business.

You will find a general discussion of some of the elements of the regulatory framework affecting PNC Group and PNC Bank as well as a discussion of the key risk factors that affect PNC Group in the following sections of PNC Group's 2005 annual report on Form 10-K: the "Supervision and Regulation" section included in Item 1; Item 1A – Risk Factors; and Note 4 Regulatory Matters of the Notes To Consolidated Group Statements included in Item 8 of that Report.

### **Incorporation of Certain Documents by Reference**

PNC Bank submits quarterly to the OCC certain reports called "Consolidated Reports of Condition and Income" ("Call Reports"). Each Call Report consists of a Balance Sheet, Income Statement, Changes in Equity Capital and other supporting schedules as of and for the period to which the report relates. The Call Reports are prepared in accordance with regulatory instructions issued by the Federal Financial Institutions Examination Council. Because of the special supervisory, regulatory and economic policy needs served by these Call Reports, those regulatory instructions do not in all cases follow accounting principles generally accepted in the United States, including the opinions and statements of the Accounting Principles Board or the FASB ("U.S. GAAP"). While the Call Reports are supervisory and regulatory documents, not primarily financial accounting documents, and do not provide a complete range of financial disclosure about PNC Bank, the reports nevertheless provide important information concerning the financial condition of PNC Bank.

The publicly available portions of the Call Reports are on file with, and publicly available on written request to, the FDIC, Public Information Center, 801 17<sup>th</sup> Street, NW, Room 100, Washington, D.C. 20434, or by calling the FDIC Public Information Center at 877-275-3342 or 202-416-6940. The Call Reports are also available by accessing the FDIC's website at <http://www.fdic.gov>.

PNC Group is subject to the informational requirements of the Securities Exchange Act of 1934 ("Exchange Act"), and in accordance with the Exchange Act, PNC Group files annual, quarterly and current reports, proxy statements, and other information with the SEC relating to PNC Group's business, financial condition, supervision and regulation, and otherwise. PNC Group's SEC File Number is 001-09718. You may read and copy any document PNC Group files with the SEC at the SEC's Public Reference Room at 100 F Street NE, Room 1580, Washington, D.C. 20549. You can obtain information on the operation of the SEC's Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including PNC Group's filings. The address of the SEC website is <http://www.sec.gov>. Copies of such materials can also be obtained at prescribed rates from the public reference section of the SEC at 100 F Street NE, Room 1580, Washington, D.C. 20549.

The publicly-available portions of PNC Bank's Call Reports for the years ended December 31, 2005, 2004, and 2003 and for the quarters ended March 31, 2007 and June 30, 2007, and of any amendments or supplements thereto, as filed by PNC Bank with the OCC, are incorporated herein by reference. The publicly-available portions of each Call Report, and of any amendments or supplements to Call Reports, subsequently filed with the OCC prior to the expiration of the Minimum Payment Agreement are incorporated herein by reference and will be deemed a part hereof from the date of filing of each such document. Subsequently filed reports, and amendments or supplements to reports, will automatically update and supersede prior information.

In addition to the Call Reports referred to above, PNC Bank incorporates herein by reference the following documents: PNC Group's Annual Report on Form 10-K for the year ended December 31, 2005; Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007 and June 30, 2007; Current Reports on Form 8-K (by date of earliest event reported) dated January 20, 2007 (filed January 26, 2007), dated February 14, 2007 (filed February 21, 2007), dated February 15, 2007 (filed February 22, 2007), dated March 21, 2007 (filed March 24, 2007), dated April 25, 2007 (filed May 1, 2007), and Exhibit 99.1 of the second Current Report on Form 8-K dated and filed July 19, 2007; and any amendments or supplements to those reports. Each other annual, quarterly and current report, and any amendments or supplements thereto, filed by PNC Group with the SEC pursuant to Section 13(a) or 15(d) of the Exchange Act after December 31, 2005 and prior to the expiration of the Minimum Payment Agreement is incorporated herein by reference and will be deemed a part hereof from the date of filing of each such document. Subsequently filed reports, and amendments or supplements to reports, will automatically update and supersede prior information. Except for the information contained in Exhibit 99.1 of the second Current Report on Form 8-K dated and filed July 19, 2007, which is specifically incorporated by reference herein, the information incorporated by reference herein does not include any information contained in such documents that the SEC allows PNC Group to furnish rather than file and any other information that the SEC allows PNC Group not to incorporate by reference into Form S-3 registration statements.

Neither the delivery of this document nor the sale of any Bonds will imply that the information herein or in any document incorporated by reference is correct as of any time after its date. Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for purposes hereof to the extent that a statement contained therein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part hereof.

Any of the above documents incorporated herein by reference (other than exhibits to such documents unless such exhibits are specifically incorporated by reference into such documents) are available upon request by holders of the Bonds or by prospective investors in the Bonds without charge: (1) in the case of PNC Bank documents, by written request addressed to Patricia J. Jablonski, Manager of Regulatory Reporting, at The PNC Financial Services Group, Inc., One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222-2707; or (2) in the case of PNC Financial documents, (a) for copies without exhibits, upon written request addressed to Computershare Investor Services, Post Office Box 3504, Chicago, Illinois 60690-3504 or via e-mail at [web.queries@computershare.com](mailto:web.queries@computershare.com), or by calling 800-982-7652, and (b) for exhibits, by contacting Shareholder Relations at 800-843-2206 or via e-mail at [investor.relations@pnc.com](mailto:investor.relations@pnc.com).

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APPENDIX D

[FORM OF OPINION OF COHEN & GRIGSBY, P.C., BOND COUNSEL]

\_\_\_\_\_, 2007

TO THE PURCHASERS OF THE BELOW-REFERENCED BONDS:

**Re: \$9,550,000 Urban Redevelopment Authority of Pittsburgh Tax Increment Bonds (Center Triangle Tax Increment Financing District – The PNC Financial Services Group, Inc. Project) Refunding Series A of 2007 (Tax-Exempt) and Refunding Series B of 2007 (Taxable)**

Ladies and Gentlemen:

We have acted as bond counsel to the Urban Redevelopment Authority of Pittsburgh ("**Authority**") in connection with the issuance by the Authority of (i) \$4,360,000 principal amount of its Tax Increment Bonds (Center Triangle Tax Increment Financing District - The PNC Financial Services Group, Inc. Project) Refunding Series A of 2007 (Tax-Exempt) (the "**Series A Bonds**") and (ii) \$5,190,000 principal amount of its Tax Increment Bonds (Center Triangle Tax Increment Financing District – The PNC Financial Services Group, Inc. Project) Refunding Series B of 2007 (Taxable) (the "**Series B Bonds**" and, together with the Series A Bonds, the "**Bonds**"). In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion.

The Bonds are issued pursuant to a Trust Indenture (the "**Indenture**") dated as of November 1, 2007 by and between the Authority and U.S. Bank National Association, as Trustee (the "**Trustee**"), as authorized under the Pennsylvania Tax Increment Financing Act, 53 P.S. § 6930 *et seq.* (the "**TIF Act**"). Under the Indenture, the Authority has pledged all of its right, title and interest in and to (a) the Pledged Increment and other moneys available pursuant to the Cooperation Agreement Regarding Center Triangle Tax Increment Financing District, As Amended By Amendment No. 2 dated as of October 15, 1999, as amended (the "**Cooperation Agreement**"), among the Authority, the City of Pittsburgh, Allegheny County and the School District of Pittsburgh, (b) the Minimum Payment Agreement dated as of November 15, 1999 between The PNC Financial Services Group, Inc. ("**PNC Group**"), formerly known as PNC Bank Corp, and the Authority, as amended by that certain Amendment to Minimum Payment Agreement dated as of November 1, 2007 (the "**Minimum Payment Agreement**"), including all amounts becoming due and payable thereunder (except payments due to the Authority pursuant to Section 1008 of the Indenture), (c) all moneys and securities held from time to time by the Trustee in or as part of the funds and accounts held hereunder (except the Rebate Fund, as defined in the Indenture), and (d) proceeds of the foregoing (collectively, the "**Pledged Revenues**"), for the payment of the principal of and premium (if any) and interest on the Bonds when due.

As to questions of fact material to our opinion, we have relied upon the representations, warranties and certifications of the Authority contained in the Indenture and the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

We have further relied upon the covenants of the Authority in the Indenture and of the Authority and PNC Group set forth in the Tax Certificate delivered on the date hereof, wherein the Authority and PNC Group agree to comply with the requirements of the Internal Revenue Code of 1986, as amended (the "**Code**"), and the regulations in effect thereunder in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Series A Bonds.

Based on our examination, we are of the opinion, as of the date hereof and under existing law, as follows:

1. The Authority is a body corporate and politic, presently subsisting under the Pennsylvania Urban Redevelopment Law, approved May 24, 1945, P.L. 991, as amended, of the Commonwealth of Pennsylvania, with the power to execute and deliver the Indenture, perform the agreements on its part contained therein and issue the Bonds.

2. The Indenture has been duly authorized, executed and delivered by the Authority and constitutes a valid and binding obligation of the Authority, enforceable against the Authority in accordance with its terms.

3. The Bonds have been duly authorized, executed and delivered by Authority and are valid and binding limited obligations of the Authority, payable solely from Pledged Revenues under the Indenture.

4. The Bonds are "tax increment bonds" under the TIF Act and have been duly authorized, executed and issued by the Authority pursuant to the terms of the TIF Act.

5. Interest on the Series B Bonds is included in the gross income of the holders thereof for federal income tax purposes. Interest on the Series A Bonds is excluded from the gross income of the holders of the Series A Bonds for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; it should be noted, however, that for the purpose of computing the alternative minimum tax imposed on corporations (as defined for federal income tax purposes), such interest is taken into account in determining "adjusted current earnings." For the purpose of rendering the opinion set forth in the foregoing sentence, we have assumed compliance by the Authority and PNC Group with requirements of the Code that must be satisfied subsequent to the issuance of the Series A Bonds in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The Authority and PNC Group have covenanted to comply with such requirements. Failure to comply with certain of such requirements may cause the interest on the Series A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series A Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are exempt from personal property tax in Pennsylvania and the interest on the Bonds is exempt from Pennsylvania personal income tax and Pennsylvania corporate net income tax.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Indenture and the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.



This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

COHEN & GRIGSBY, P.C.

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