

# UNOFFICIAL COPY



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Eugene "Gene" Moore Fee: \$54.00  
Cook County Recorder of Deeds  
Date: 08/29/2003 03:23 PM Pg: 1 of 16

Prepared by and  
After Recording Return

Karen D. Bielarz  
Senior Staff Counsel  
Office of the General Counsel  
Chicago Housing Authority  
200 West Adams, Suite 2100  
Chicago, Illinois 60606

## OLD TOWN VILLAGE EAST, PHASE I

### MEMORANDUM OF LEASE AGREEMENT

**THIS MEMORANDUM OF LEASE AGREEMENT** is made and entered into as of the 29 day of August, 2003, by and between Southwest Old Town Development Associates, L.L.C., an Illinois limited liability company (Lessor); and Chicago Housing Authority, a public body corporate and politic, organized and existing under the laws of the State of Illinois (Lessee).

#### WITNESSETH:

**WHEREAS**, the concept of the public welfare is broad and inclusive, and it is in the best interests of the public and the City of Chicago, Illinois that new opportunities for urban redevelopment be developed so as to facilitate the construction and operation of decent, safe, and sanitary buildings for urban residential usage;

**WHEREAS**, Lessee and the United States Department of Housing and Urban Development ("HUD") have determined that traditional public housing projects, segregated from housing available to those of other income levels and confined solely to the housing of public tenants, often have produced living conditions inconsistent with the public purposes for which they were built;

**WHEREAS**, the public may be served through innovative combinations of the resources of local government and private enterprise;

**WHEREAS**, simultaneously herewith, Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), pursuant to which Lessor has leased, demised and let to Lessee those certain tracts and parcels of real property lying being in the City of Chicago, Cook County,

Box 333

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Illinois (and which real property is more particularly described on Exhibit A attached hereto and made a part hereof), together with the improvements, rights, easements, licenses, privileges and appurtenances thereunto attached or in any way belonging thereto; and

**WHEREAS**, the parties hereto desire to enter into this Memorandum of Lease in order to provide public record notice of the Lease and certain provisions, rights and obligations pertaining to the Public Housing Units.

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the sum of Ten and No/100 Dollars (\$10.00), the covenants, representations, warranties and agreements set forth in the Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree as follows:

1. **Capitalized Terms**. All capitalized terms used and not otherwise defined herein are used herein with the same meaning ascribed to such term(s) in the Lease.

2. **TERM**. Unless sooner terminated pursuant to the provisions hereof, this Lease shall continue in full force and effect for a term ("Term") commencing on August 29, 2003 ("Commencement Date", as shall vary as to each applicable Units) and expiring the later to occur of (i) expiration of the minimum term during which a portion or all of the Leased Premises are required by law to be operated as "public housing" in accordance with the Act, or (ii) the expiration of forty (40) years from the date of the recordation of a Warranty Deed to Lessor on a unit by unit basis in the Leased Premises to be occupied in accordance with the Regulatory Agreement. This Term is subject to All Applicable Public Housing Requirements. Further, any HUD waivers granted to Lessee affecting this Lease shall be made on behalf of the Lessor to the full benefit and effects of Lessor's rights under this Lease.

3. **Restrictions Applicable to Public Housing Unit**. Section 3.3 of the Lease contains the following restrictions regarding the use of the public housing units:

"Section 3.3 **Restrictions Applicable to Use of Leased Premises as Public Housing Units**.

(a) During the Term, Lessee will continuously use the public housing residential units comprising the Leased Premises as Public Housing Units, for occupancy by Public Housing Eligible Households at rents and subject to all other conditions of All Applicable Public Housing Requirements, this Lease, and the Memorandum of Lease Agreement set forth as Exhibit C; it being understood that in the event of a conflict among the foregoing the ACC shall control. Lessor hereby acknowledges and agrees that the Public Housing Units shall be subleased by Lessee to Public Housing Eligible Households. Provided that the Lessee continues operating the Leased Premises as Public Housing Units to Public Housing Eligible Households in accordance with All Applicable Public Housing Requirements, and in accordance with the terms of this Lease, such Public Housing Units shall be eligible to receive the benefit of operating subsidies provided to the Lessee by HUD pursuant to Section 9 of the Act and, for purposes of subsequent legislation, it is intended that the Leased Premises shall be considered public housing. Consistent with the requirements currently applicable to public housing, a unit

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shall not lose its status as a Public Housing Unit solely because the income of the Tenant residing therein rises above the applicable public housing income limit; any such unit shall be governed by rules generally applicable to units occupied by over-income tenants in applicable public housing programs (subject to such modifications in lease and occupancy terms as are permitted hereunder).

(b) During the Term, Lessor hereby agrees to use reasonable efforts to perform Lessee's obligations to operate and administer the Leased Premises as Public Housing Units (i) in compliance with All Applicable Public Housing Requirements, HUD regulations thereunder, and the regulations and policies of Lessee; and (ii) in accordance with the Declaration, and the Regulatory Agreement. In connection therewith, Lessor will retain a Manager pursuant to a Management Agreement, which will be subject to approval by the Authority and HUD. The Manager will be responsible to Lessor for management of the Leased Premises in accordance with the terms of the Regulatory Agreement, this Lease, and the Management Agreement. The Management Agreement will contain appropriate provisions providing reasonable access by the Lessee, upon request therefor, to books and records maintained by the Manager with respect to the Leased Premises, and pursuant to which the Lessor may be required to terminate the Management Agreement and the appointment of the Manager thereunder, if the Manager has violated, breached, or failed to comply with any provision of, or obligation under this Lease. A default by the Lessor that is attributable to an action or omission of the Manager shall be deemed a default by Lessor, and thereby cause termination of payment of the Old Town Village East, Phase I, Regulatory Payment, as defined in the Regulatory Agreement, for each of the Units comprising the Leased Premises. HUD and the Lessee agree that the initial Manager retained by Lessor shall be East Lake Management Group, Inc. The Management Agreement shall require the Manager to perform all management functions that Lessee would typically require of a private manager of its properties, including, without limitation, conducting home visits for potential applicants, performing housing quality standards inspections of units, collecting rent from Tenants and depositing such rent into the Leased Premises Rental Reserve Account, as described herein, evicting residents, maintaining resident files, and maintaining books and records for the operation of the Leased Premises all in accordance with HUD and Lessee regulations and policies. The initial occupancy referrals for the Public Housing Units shall be provided to the Lessor by the Lessee in accordance with the Cabrini-Green Consent Decree priority tenant listings. The Lessee delegates to the Lessor, subject to re-delegation to the Manager, all administrative functions in connection with admission of applicants to occupancy of the Leased Premises, including application intake, applicant interview and screening, verification procedures, determination of eligibility for admission and qualification for preference, and waiting list maintenance, all in accordance with criteria and procedures established by the Lessee. Tenant leases with respect to the Public Housing Units, shall be executed by the Lessee and shall be in the form of tenant leases utilized by the Authority, as approved by HUD. Lessor shall perform or cause the Manager to perform all necessary interior maintenance to the Public Housing Units, including, without limitation, vacant unit preparation for new occupants. The Lessee's tenant grievance procedure shall be utilized and will provide for informal discussion and settlement of grievances by the Manager and hearing before a hearing officer appointed in accordance with the Lessee's grievance procedure. The Manager

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shall be responsible for establishing and maintaining an interest-bearing escrow Leased Premises Security Deposit Account for all security deposits made by each Tenant and the Authority in relation to the Tenant leases for each Public Housing Unit comprising the Leased Premises. Upon any sale or transfer of Lessor's interest in the Leased Premises during the term of the Regulatory Agreement, amounts remaining in the Leased Premises Security Deposit Account shall continue to be available to assist the Leased Premises, in accordance with the Regulatory Agreement. Upon termination of the Regulatory Agreement, any funds remaining in the Leased Premises Security Deposit Account shall be released to the Authority free of any trust without the Lessor's consent. Tenant Selection shall be conducted in accordance with written objective criteria attached hereto as Exhibit D, as set forth in the Cabrini-Green Consent Decree. Such criteria shall (i) be subject to fair housing law standards, All Applicable Public Housing Requirements, the Cabrini-Green Consent Decree, and any applicable law, rule or regulation; and (ii) not have the effect of precluding Public Housing Eligible Households from occupying the Public Housing Units.

(c) Not later than 60 days prior to the anticipated date of first occupancy of any Unit, and not later than 90 days before the first day of any subsequent Authority Fiscal Year, Lessor shall submit to Lessee its proposed operating budget for the following Authority Fiscal Year (or, in the case of the year in which the Commencement Date occurs, the remainder thereof). The Operating Budget shall project Estimated Allowed Leased Premises Expenses, Estimated Leased Premises Expenses, and Estimated Leased Premises Income for the subject period if any (collectively referred to herein as the "Operating Budget") and may include proposed withdrawals from the Leased Premises Rental Reserve Account and/or from the Replacement Reserve Account, as defined herein, to meet operating requirements, subject to the following conditions:

- (i) Estimated Allowed Leased Premises Expenses shall be as reasonably estimated by the Lessor. Lessee may comment upon and propose changes to the Estimated Allowed Leased Premises Expenses set forth in the Operating Budget submitted by the Lessor, provided that such suggestions shall be advisory and not mandatory.
- (ii) For the period in which first occupancy of the Leased Premises is anticipated to occur, Estimated Leased Premises Income shall be determined on the basis of assumed Tenant Housing Payment collections for each unit to the average Tenant Housing Payment collections for all units owned and administered by the Lessee in the most recent annual or semi-annual period for which such statistics are available at the time of the Lessor's submission of the Operating Budget for such period to the Lessee. For each subsequent Authority Fiscal Year, Estimated Leased Premises Income shall be determined on the basis of the aggregate Tenant Housing Payments actually collected for all units comprising the Leased Premises during the first six (6) months of the preceding Authority Fiscal Year.

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Notwithstanding the foregoing, with respect to any Authority Fiscal Year, the Lessor and Lessee may agree to project Estimated Leased Premises Income at a level different from that which would otherwise be established pursuant to the preceding sentence, taking into account (A) the reasonably anticipated level of incomes of tenants anticipated to be admitted to the Public Housing Units during such period, based on anticipated turnover and the Authority's admissions policies, and (B) reasonably anticipated increases in income levels of existing tenants based on tenant participation in employment training and other supportive services programs.

- (iii) For the period in which first occupancy of a Unit in the Leased Premises is anticipated to occur, and for all subsequent years under the terms of this Lease, the terms of the Regulatory Agreement, and any extensions thereof, the Lessor shall submit to the Authority for its approval and filing with the Cook County Clerk's Office, a certificate of Real Estate Tax Abatement on each of the Units constituting the Leased Premises. The abatement of real estate taxes shall be indicated within the Operating Budget. No real estate taxes shall be included in the individual leases between the Tenants of the Leased Premises and the Authority, and as managed by the Manager. Each of the leases of the Units shall reflect an amount, equal to the Tenant Housing Payment the respective public housing resident is required to pay, as the monthly lease Tenant Housing Payment due.
- (d) Not later than thirty (30) days after the end of each successive semi-annual period commencing with the calendar quarter in which first occupancy of the Leased Premises occurs, Lessor shall deliver to the Lessee with respect to the Leased Premises, itemized statements of income and expenses, prepared on an accrual basis, in form substantially comparable to Form HUD-92410 (Statement of Profit and Loss), certified by the chief financial officer of the Lessor for the semi-annual period and from the beginning of the Authority Fiscal Year to the end of such semi-annual period. Not later than 90 days after the end of each Authority Fiscal Year, Lessor shall deliver to the Lessee and, on behalf of the Lessee, to HUD, a copy of the financial statements certified by the Lessor for such year and the period then ended, prepared in accordance with generally accepted accounting principles and accompanied by the report of independent public accountants thereon, together with a copy of any additional financial statements or reports delivered by Lessor to its partners. Such financial statement shall be accompanied by supplemental data, together with the report of independent public accountants thereon, which shall show on a cash basis for such period (i) actual income and sources of such income from the Leased Premises, (ii) actual expenditures for Leased Premises Expenses, (iii) actual Authority reimbursements received by Lessor for expenditures for the Leased Premises, (iv) the amount of the Old Town Village East, Phase I Regulatory Payment received by Lessor, (v) the balance of each of the Reserve Accounts, at the end of the period, and (vi) the aggregate stated lease Tenant Housing Payments and the amounts thereof uncollected from the leased Premises for which no eviction actions have been commenced.

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(e) The Lessor shall inform the Lessee of any expenses that would result in a greater than two (2%) increase in the annual Operating Budget upon its occurrence or anticipated occurrence.

(f) Subject to Subsection 3.3(c), nothing contained herein shall prevent or diminish the full application to the Public Housing Units of any legislation enacted after the date hereof which provides for the termination of operating subsidies under Section 9 of the Act or of other Federal project based assistance to public housing developments, including, without limitation, any provision thereof releasing or otherwise modifying occupancy or tenant rent restrictions previously applicable to units such as the Public Housing Units. It is of the essence of Lessor's and Lessee's obligations under this Section 3.3 that, during the Term, Lessee and Lessor will maintain and operate the Public Housing Units as Public Housing Units in accordance with All Applicable Public Housing Requirements and the Cabrini-Green Consent Decree; provided, however, that if the Leased Premises' operating subsidies or other project based Federal assistance received by Lessee in respect of the Leased Premises is reduced or terminated, excluding termination caused by Lessor and/or Manager default, the Lessor shall at no time be required to contribute from its own funds to preserve the Public Housing Units as required hereunder. In the event that legislative changes or diminished appropriations significantly reduce the amount of operating subsidy provided by HUD to Lessee under Section 9 of the Act as in effect on the date hereof, Lessee shall remain obligated to pay Rent (subject to the limitations set forth in Section 4.2 hereof) to Lessor as hereinafter provided and Lessor shall continue to maintain and operate the Leased Premises as public housing; provided, however, that if the aggregate of Tenant rental contributions payable by occupants of the Public Housing Units, plus all forms of public assistance made available in respect of the Leased Premises (including, without limitation, other project-based or tenant-based operating or rental assistance or other contributions by or on behalf of Lessor or Lessee or with respect to the Leased Premises) are less than the Old Town Village East, Phase I Regulatory Payment, Lessor may take all further actions necessary pursuant to Sections 6(a)-(e) of the Regulatory Agreement, as if fully set forth herein, to (1) increase the income level of new Tenants admitted to the Leased Premises, including admitting public housing eligible families having higher income levels than would otherwise receive priority under any system of preferences applicable to the Leased Premises; and (2) include without limitation, requiring increases in Tenant Rents in the Leased Premises based on those higher income levels. Notwithstanding anything herein to the contrary, Lessor acknowledges that the terms and conditions set forth in this Lease and in the Annual Contributions Contract shall not be deemed an assignment of public housing funds to Lessor."

4. **Payments by Lessee.** Section 4.1 of the Lease contains the following restrictions regarding the Lessee's payment of Rent for the Leased Premises:

"4.1 Payments by Lessee.

(a) Subject to the terms and conditions set forth in Section 3.3 hereof, and further subject to the terms of Article XI herein requiring abatement of Rent during restoration of Leased Premises, Lessee shall pay to Lessor rent ("Rent")

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for the Leased Premises for each Lease Year in the amount of \$424.48 per month for each Unit submitted to this Lease payable in equal monthly installments in advance no later than the eighth calendar day of each month by electronic wire transfer, and at the same rate for fractions of a month if the Term as to any Unit shall begin on any date except the first day or shall end on any day except the last day of a calendar month. The Rent paid to the Lessor pursuant to this Lease and the Old Town Village East, Phase I Regulatory Payment paid pursuant to the Regulatory Agreement shall constitute one and the same payment. Rent shall be increased each Lease Year for each Unit commencing with the second Lease Year for each Unit by an amount (the "Escalation Factor") equal to the lesser of (i) two percent (2%) per annum; or (ii) the CPI. In the event that the Units of the Leased Premises are eligible for an abatement of Impositions, Rent payable by Lessee shall be reduced monthly in the estimated amount of the foregoing abatement of Impositions pursuant to the budget theretofore approved by Lessee. In the event the actual amount of the abatement is more or less than the estimated amount, Rent shall be adjusted accordingly. Rent at the rate of Four Hundred Twenty-Four and 48/100 Dollars (\$424.48) per month for a condominium unit shall be abated for the period of time that such condominium unit shall be vacant due to the fault of Lessor pursuant to Section 3.3(b) hereof.

(b) On each Unit's Closing Date, Lessee will pay to Lessor a portion of the aggregate amount of One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in accordance with the schedule set forth in Exhibit E attached hereto. for a portion of total development costs of the Leased Premises in consideration of Lessor agreeing, among other things, to (i) lease the Leased Premises to Lessee as public housing units for the Term, (ii) maintain and operate or cause the maintenance and operation of the Leased Premises as public housing units, (iii) subject to Sections 3.3 and 4.2 hereof, pay the Leased Premises Expenses for the Leased Premises and (iv) otherwise perform Lessee's obligations hereunder."

5. **Residual Interest of Lessee.** Sections 15.1 and 15.2 of the Lease provide for lessee to receive a payment equal to a portion of the fair market value of the Leased Premises and secure that payment as follows:

"15.1 **LESSEE'S RESIDUAL PAYMENT.** Upon the expiration of the Term and as a condition for such termination, Lessor and Lessee shall jointly determine the fair market value of the Leased Premises as "for sale" housing. Upon making such determination, Lessor shall pay to Lessee an amount equal to twenty five percent (25%) ("Lessee's Residual Payment") of the fair market value. In the event Lessor and Lessee are not able to agree upon said fair market value of the Leased Premises within thirty (30) days following the expiration, or termination, of the Term, each Party shall select an Appraiser. Each Appraiser shall separately determine said fair market value of the Leased Premises. If the fair market value appraisals by the Appraisers shall be within ten (10%) percent of each other, the fair market value shall be the average of the two appraisals. If the fair market value appraisals shall not be within ten percent (10%) of each other, the two

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Appraisers shall then select a third Appraiser, who shall independently determine the fair market value of the Leased Premises as "for-sale" market rate housing and the average of all three appraisals shall be the fair market value of the Leased Premises. Until Lessee receives Lessee's Residual Payment, this Lease shall remain in full force and effect.

**15.2 Mortgage and Security Interest for Purposes of Securing Lessee's Residual Payment.** Lessor does hereby grant and convey to Lessee, its successors and assigns, a lien in and to the Leased Premises to secure Lessor's payment to Lessee of Lessee's Residual Payment. In connection therewith:

(a) In the event that Lessor shall fail to pay to Lessee the Lessee's Residual Payment when due, Lessee shall thereupon be entitled to bring an action at law or in equity against Lessor including, without limitation, an action (i) to foreclose a lien against the Leased Premises, (ii) for damages, injunctive relief or specific performance, (iii) for judgment or for the payment of money and the collection thereof, (iv) for any combination of the remedies set forth herein, or (v) for any other relief which Lessee may deem necessary or appropriate. Any and all rights and remedies provided for herein or in law or in equity may be exercised at any time and from time to time cumulatively or otherwise by Lessee in its sole discretion. The failure of Lessee to exercise any such rights or remedies to enforce the provisions of this Lease shall in no event be deemed a waiver of the right to do so thereafter.

(b) To the extent permitted by law in any case in which Lessee has a right to institute foreclosure proceedings, whether before or after the institution of such proceedings or before or after sale thereunder, Lessor shall, at the option of Lessee, surrender to Lessee and Lessee shall be entitled to take actual possession of all or any portion of the Leased Premises personally or by its agents or attorneys and Lessee, in its sole discretion may enter upon, take and maintain possession of all or any portion of the Leased Premises. Upon taking possession of the Leased Premises, Lessee may make all necessary or proper repairs, decorations, renewals, replacements, alterations, additions, betterments and improvements in connection with the Leased Premises as it may deem judicious to ensure, protect and maintain the Leased Premises against all risks incidental to Lessee's possession, operation and management thereof, and may receive all rents, operating subsidies, issues and profits therefrom. Lessee shall have, in addition to any other power provided herein, all powers and duties as provided for in Sections 5/15-1701, 5/15-1702 and 5/15-1703 of the Illinois Mortgage Foreclosure Law.

(c) The Leased Premises or any interest or estate therein sold pursuant to any court order or a decree obtained under this Lease shall be sold in one parcel, as an entirety, or in such parcels and in such manner or order as Lessee, in its sole discretion may elect, to the maximum extent provided by Illinois law. At such sale, Lessee may bid for and acquire, as purchaser, all or any portion of the Leased Premises and, in lieu of paying cash therefor, may make settlement for the



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purchase price by crediting upon the indebtedness due the amount of Lessee's bid. Upon or at any time after the filing of any complaint to foreclose the lien of this Lease, the court may, upon application, appoint a receiver of the Leased Premises.

(d) Proceeds of any foreclosure sale of the Leased Premises shall be distributed and applied in the following order of priority: (i) on account of all costs and expenses incident to the foreclosure proceedings, (ii) to payment of Lessee's Residual Payment and all costs and expenses referred to in subsection 15.2(e) hereof, and (iii) any surplus or remaining funds to Lessor, its successors or assigns, as their rights may appear.

(e) Provided that Lessee shall prevail in such litigation, all expenses incurred by Lessee in connection with any actions, proceedings or self-help in connection with the exercise of its rights and remedies hereunder, including without limitation, court costs, reasonable attorneys' fees and all other fees and expenses and all damages, together with interest until paid on Lessee's Residual Payment and on such expenses at the Delinquency Rate, shall be charged to and assessed against Lessor, and shall be added to and deemed part of Lessee's Residual Payment and Lessee shall have a lien for all of said costs and interest upon the Leased Premises."

6. **Restrictions Transfer.** Sections 16.1 and 16.2 of the Lease contain the following restrictions on the transfer of Lessee's Estate in the Leased Premises and Lessor's Estate in the Leased Premises:

"16.1 **Permitted Transfer by Lessor.**

(a) Except as provided in this Article 16, and subject to the HUD's approval and all statutory and regulatory requirements applicable to the transfer of the Public Housing Units and this leasehold, Lessor shall have no right to Transfer any legal or beneficial interest in Lessor's Estate or any interest of its Corporate Manager, as defined in the Regulatory Agreement ("Controlling Interest") in Lessor or a Controlling Interest in any entity which has a Controlling Interest in Lessor without first obtaining (i) HUD's written approval, (ii) Lessee's written consent, and (iii) the transferee's assumption of the obligations of Lessor hereunder pursuant to an instrument reasonably acceptable to HUD and Lessee. Notwithstanding the foregoing, HUD and Lessee acknowledge that they will not unreasonably withhold, delay or condition a request by Lessor for HUD's and Lessee's consent to an internal reorganization of the corporate or partnership (or limited liability company, if applicable) structure of Lessor.

(b) Upon the granting of any consent by HUD and Lessee with respect to a Transfer by Lessor, this Lease shall be binding upon and shall inure to the benefit of Lessor and Lessee and their respective heirs, successors, assigns, legal representatives, Tenants and other transferees, and, upon assumption by the assignee of all of the rights and obligations of the assignor under this Lease, the assignor shall be released from any liability hereunder accruing from and after the

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date of such Transfer. Upon request of the assignor, Lessee shall promptly execute and deliver to the assignor a release agreement in a form reasonably acceptable to HUD, Lessee and the assignor to evidence such release.

## 16.2 Transfer by Lessee.

(a) Except for subleasing the Public Housing Units to Public Housing Eligible Households, Lessee shall not Transfer all or any portion of its interest in Lessee's Estate, if the same would cause a violation or breach of (i) any Legal Requirements, or (ii) the provisions of Subsection 16.2(b) below. Notwithstanding anything contained herein, Lessor hereby acknowledges and agrees that HUD or any receiver or appointee named by HUD or at HUD's request, shall have the right, in accordance with its rights under the Annual Contributions Contract, to take over by transfer or otherwise the Lessee's interest under this Lease.

(b) Lessee acknowledges and covenants that it shall not Transfer Lessee's Estate during the period when the Leased Premises are required to be maintained and operated as public housing units. The foregoing covenant shall be deemed to be a covenant running with the Leased Premises made for the benefit of HUD and shall be enforceable by HUD during the Term."

7. **Conflicts with Lease.** This Memorandum of Lease is solely for notice and recording purposes and shall not be construed to alter, modify, expand, diminish or supplement any of the provisions of the Lease. In the event of any inconsistencies between the provisions of this Memorandum of Lease and the provisions of the Lease, the provisions of the Lease shall govern.

8. **General.** This Memorandum of Lease (a) shall be governed by and construed in accordance with the laws of the State of Illinois; (b) may be executed in multiple counterparts, each of which shall constitute an original; (c) shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assigns; and (d) may not be modified, amended or altered, except by in writing and signed by the parties hereto.

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IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease be made, executed, entered into in multiple original counterparts, and delivered as of the day and year first above written.

**LESSOR:**

**LESSEE:**

**SOUTHWEST OLD TOWN DEVELOPMENT ASSOCIATES, L.L.C.**  
an Illinois limited liability company

**CHICAGO HOUSING AUTHORITY,**  
a municipal corporation

By: Lincoln Park Development Associates, Inc., an Illinois corporation  
Its: Manager

By: \_\_\_\_\_  
Terry Peterson,  
Its: Chief Executive Officer

By: *Marilyn Walsh*  
~~Daniel E. McLean~~ Marilyn Walsh  
Its: ~~President~~ Executive Vice President

Cook County Clerk's Office

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IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease be made, executed, entered into in multiple original counterparts, and delivered as of the day and year first above written.

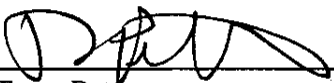
**LESSOR:**

**LESSEE:**

**SOUTHWEST OLD TOWN DEVELOPMENT ASSOCIATES, L.L.C.**  
an Illinois limited liability company

**CHICAGO HOUSING AUTHORITY,**  
a municipal corporation

By: Lincoln Park Development Associates, Inc., an Illinois corporation  
Its: Manager

By:   
Terry Peterson,  
Its: Chief Executive Officer

By: \_\_\_\_\_  
Daniel E. McLean  
Its: President

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STATE OF ILLINOIS )  
 )  
 ) SS.  
COUNTY OF COOK )

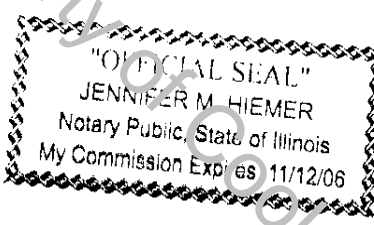
*Marilyn Walsh*

*Executive Vice*

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that ~~Daniel E. McLean~~, personally know to me to be the President of Lincoln Park Development Associates, Inc., an Illinois corporation, the Manager of Southwest Old Town Development Associates, L.L.C., an Illinois limited liability company, and the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such President of Lincoln Park Development Associates, Inc., he signed and delivered the said instrument pursuant to proper authority given as his free and voluntary act, and as the free and voluntary act and deed of the Owner for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 28 day of August, 2003.

*Jennifer M. Hiemer*



Notary Public  
My Commission Expires: \_\_\_\_\_

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STATE OF ILLINOIS     )  
                                           )  
 COUNTY OF COOK        )     SS.

I, Suzanne K. Chung, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY the Terry Peterson, personally known to me to be the Chief Executive Officer of the Chicago Housing Authority ("Authority"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed, and delivered said instrument, pursuant to the authority given to him by the Authority Board of Commissioners, as his free and voluntary act and as the free and voluntary act of the Authority for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 28<sup>th</sup> day of August 2003.

S.K. Chung  
 Notary Public



My Commission Expires:

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## EXHIBIT A-1

### Legal Descriptions

#### Old Town Village East, Phase I

##### List of 12 Public Housing Units

- A. Walk-up Building No. 34, Units 901 and 1001 at Lots 33 to 38 in Old Town Village East being a Subdivision in the West Half of the Northeast Quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. (Yet to be constructed.)
- B. Walk-up Building No. 35, Units 701 and 801 at Lots 33 to 38 in Old Town Village East being a Subdivision in the West Half of the Northeast Quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. (Yet to be constructed.)
- C. ~~Walk-up Building No. 36, Units 503 and 604 at Lots 33 to 38 in Old Town Village East being a Subdivision in the West Half of the Northeast Quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. (Yet to be constructed.)~~
- D. ~~Walk-up Building No. 37, Units 302 and 402 at Lots 33 to 38 in Old Town Village East being a Subdivision in the West Half of the Northeast Quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois.~~
- E. Midrise Building, Units 207, 209, 210, and 310 Lots 32 and 39 in Old Town Village East being a Subdivision in the West Half of the Northeast Quarter of Section 4, Township 39 North, Range 14, East of the Third Principal Meridian, in Cook County, Illinois. (Yet to be constructed.)
- \* IN THE CONDOMINIUMS OF OLD TOWN VILLAGE EAST AS DELINEATED ON A SURVEY OF THE FOLLOWING REAL ESTATE: CERTAIN LOTS IN OLD TOWN VILLAGE EAST BEING A SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 39, NORTH, RANGA 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS. THE AFOREMENTIONED SURVEY IS ATTACHED AS AN EXHIBIT AS FURTHER DESCRIBED IN THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NO. 0324127030 (THE DECLARATION) TOGETHER WITH ITS UNDIVIDED INTEREST IN THE COMMON ELEMENTS.

##### PARCEL 2:

EASEMENTS FOR INGRESS AND EGRESS, USE AND ENJOYMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY THE COMMON EASEMENT AGREEMENT RECORDED AS DOCUMENT NO. 0322519030.

PIN NO.?: 17-04-220-002-0000 and 17-04-220-016-0000

CKA: 1205 ORLEANS COURT, CHICAGO IL?  
1215 ORLEANS COURT, CHICAGO, IL.

# UNOFFICIAL COPY

## EXHIBIT B

### PHA-ASSISTED CONDOMINIUM UNITS OWNED BY THE SWOT AND CONVERTED TO A CONDOMINIUM FORM OF OWNERSHIP AND

### UNITS SUBMITTED SUBJECT TO THE LEASE

PARCEL 1:

~~UNITS 302 AND 402 IN BUILDING NO. 37~~ IN THE CONDOMINIUMS OF OLD TOWN VILLAGE EAST AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: <sup>CERTAIN LOTS</sup> ~~LOTS 33 TO 38~~ IN OLD TOWN VILLAGE EAST BEING A SUBDIVISION IN THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS \*

\* THE AFOREMENTIONED SURVEY IS ATTACHED AS AN EXHIBIT AS FURTHER DESCRIBED IN THE DECLARATION OF CONDOMINIUM RECORDED AS DOCUMENT NO. 0324127030 (THE DECLARATION) TOGETHER WITH ITS UNDIVIDED INTEREST IN THE COMMON ELEMENTS.

PARCEL 2:

EASEMENTS FOR INGRESS AND EGRESS, USE AND ENJOYMENT FOR THE BENEFIT OF PARCEL 1 AS CREATED BY THE COMMON EASEMENT AGREEMENT RECORDED AS DOCUMENT NO. 0322519030

PIN NO.: 17-04-220-002-0000 and 17-04-220-016-0000

CKA: ~~1205 NORTH ORLEANS COURT, CHICAGO, IL.~~  
1215 NORTH ORLEANS COURT, CHICAGO, IL.