



Doc#: 0324742065
Eugene "Gene" Moore Fee: \$60.00
Cook County Recorder of Deeds
Date: 09/04/2003 07:41 AM Pg: 1 of 19

This instrument prepared by
and when recorded return to:

Ann R. Perkins
Assistant Corporation Counsel
City of Chicago
Department of Law
121 North LaSalle Street
Room 600
Chicago, Illinois 60607

S:\Finance\Childcare Center Projects\MetroFamilyServices\Final Rider to Lease MFS Revised.doc

LEASE AGREEMENT ~~RIDER~~ AMENDMENT

THIS LEASE RIDER (this "Rider"), dated as of ^{August} ~~July~~ 5, 2003 is entered into by and between Kedzie Limited Partnership, an Illinois Limited Partnership ("Landlord") and Metropolitan Family Services, an Illinois Special Charter not-for-profit corporation ("Tenant") in favor of the City of Chicago, an Illinois municipal corporation (the "City"), and Illinois Facilities Fund, an Illinois not-for-profit corporation ("IFF"). Tenant is a delegate agency of the City which is a federal Head Start grantee. Landlord and Tenant are jointly and collectively referred to in this Rider as the "Parties." **This Rider supercedes and replaces that Lease Agreement Rider, dated January 22, 2003, entered into between the Parties.**

Recitals

- A. **The Lease.** Landlord owns and operates the building located at 3215 W. 63rd Street, Chicago, Illinois (the "Real Estate") legally described in Exhibit A hereto. Pursuant to that certain Lease Agreement (as amended, restated or otherwise modified from time to time, the "Lease") dated as of August 15, 2002, Landlord has leased to Tenant approximately 5,085 square feet of space situated on the Real Estate (as more particularly described in the Lease, the "Premises") for a term beginning on June 1, 2002, and ending on May 31, 2017 with an option to renew the Lease for two terms of five (5) years (the "Lease Term").
- B. **The Grant.** The City, by and through its Department of Human Services ("DHS"), is providing a Chicago Children's Capital Fund grant (the "Grant") to Tenant under that certain Grant Agreement between Tenant and the City dated as of the date hereof, (as amended, restated or otherwise modified from time to time, the "Grant Agreement") to renovate and build-out the Premises to operate a Head Start and/or child care center which will serve approximately sixty children eligible for Head Start slots (the "Project").
- C. **The Loan.** The Project is further funded by a loan from IFF to Tenant in the principal amount of \$95,000 (the "Loan"), evidenced by a Promissory Note dated as of the date hereof.
- D. **The Leasehold Mortgage.** In order to secure payment and performance of all of Tenant's obligations and liabilities to IFF under the Loan Documents ("Tenant's Liabilities"), IFF has required that Tenant grant to IFF a first position leasehold lien on Tenant's interest under the

G# SA 2227050 D1

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BOX 333-CP

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Lease, by executing and delivering to IFF a leasehold mortgage, a copy of which is attached hereto as Exhibit D (as the same may be amended, restated or otherwise modified from time to time, the "Leasehold Mortgage").

- E. **Inter-Funder Agreement.** The Tenant, the City and IFF have executed that certain Inter-Funder Agreement, dated as of the date hereof (the "Inter-Funder Agreement") setting forth certain rights and priorities of interest on the Project.
- F. **Purposes.** As a condition precedent to making the Grant and the Loan, the City and IFF require the execution and delivery of this Rider, which shall be attached to the Lease and made a part thereof. This Rider establishes and defines the different terms and nature of the commitments, representations and covenants of Landlord and Tenant for the benefit of the City and IFF.

NOW, THEREFORE, in consideration of the above recitals which are made a contractual part of this Rider and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant represent, covenant and agree as follows:

TERMS AND CONDITIONS

Section 1. Order of Precedence.

1.1. In the event of any conflict between the terms and conditions of this Rider and the Lease, the terms and conditions of this Rider shall control.

1.2. In the event of any conflict between the terms and conditions of this Rider and the Inter-Funder Agreement, the Inter-Funder Agreement shall control.

Section 2. Warranties and Representations.

2.1. **Due Authorization.** The persons executing this Rider on behalf of a Party hereto represent and warrant to the other Party that he or she has been duly authorized by such Party to so execute this Rider.

2.2. **Landlord's Representations and Warranties.** Landlord represents and warrants that:

2.2.1. Landlord holds title on the Premises and the Real Estate and other property necessary for Tenant's access to the Premises and full use and enjoyment thereof in accordance with the Lease.

2.2.2. Landlord will not enter into any lease, mortgage, deed of trust or other lien or security instrument that will adversely affect any right of Tenant, the City or IFF under the Lease or this Rider;

2.2.3. Landlord will not use the Real Estate, or allow any use of the Real Estate in any manner that will adversely affect Tenant's ability to obtain or maintain the certifications, licenses or permits it needs to operate a Head Start and/or child care center in the Premises pursuant to the federal regulations and statutes currently in force;

2.2.4. The Lease is in full force and effect;

2.2.5. Landlord is not in default in the performance of its obligations under the Lease;

2.2.6. To Landlord's knowledge, no conditions exist which, with the passage of time or the giving of notice, could ripen into a default by Landlord under the terms of the Lease; and

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2.2.7. Tenant is not in default in the performance of its obligations under the Lease.

Section 3. Consent to Recording.

3.1. **Definitions.** Under this Rider, the following terms are defined as follows:

“Substitute Tenant” means an entity designated by the City that assumes Tenant’s obligations under the Lease subject to the approval of IFF if such approval is required under the Inter-Funder Agreement.

“Replacement Delegate Agency” means an entity designated by the City to serve as the Head Start delegate agency, subsequent to the end of the role of Tenant in that function, subject to the approval of IFF if such approval is required under the Inter-Funder Agreement.

3.2. **Leasehold Mortgage and other Agreements in Favor of IFF.** Landlord hereby consents to IFF's first position mortgage lien on Tenant’s leasehold interest in the Premises. Landlord consents to the recording of the Leasehold Mortgage and the Inter-Funder Agreement in the appropriate official land records of the Office of the Cook County Recorder of Deeds, Illinois. The Inter-Funder Agreement provides that the interests of the City under the Grant Agreement, respectively, are, and shall remain, at all times junior, subject and subordinate to the liens evidenced by the Loan Documents.

3.3. **Restrictive Covenant.** Landlord acknowledges that subject to, and in accordance with, the terms and conditions of the Grant Agreement, the Premises must be operated exclusively as a Head Start and/or child care facility and Landlord consents to the recording of a Restrictive Covenant substantially in the form attached hereto as Exhibit C, which reflects such use restriction, in the appropriate official land records of the Office of the Cook County Recorder of Deeds, Illinois, as soon as practicable after the Grant Agreement has been executed by Tenant and the City.

3.4. **Rider.** The Parties covenant and agree that they shall have the Lease and this Rider recorded in the appropriate official land records of the Office of the Cook County Recorder of Deeds, Illinois, as soon as practicable after the Grant Documents and the Loan Documents have been executed by Tenant, the City and IFF as applicable.

Section 4. Agreements and Covenants in Favor of the City and IFF.

4.1. **Non-Disturbance Agreement.** Landlord covenants and agrees that it shall not assign, mortgage, pledge, hypothecate, or encumber its fee interest in the Premises, without supplying Tenant with an agreement which provides that (i) in the event of foreclosure upon the Premises, Tenant’s rights as Tenant under the Lease shall not be disturbed and (ii) the assignee, transferee or mortgagee (as appropriate) acknowledges and agrees that it shall be bound by and shall comply with the terms and conditions contained in this Rider (the “Non-Disturbance Agreement”). Such Non-Disturbance Agreement shall be in form and substance reasonably satisfactory to the City and IFF and Tenant.

4.2. **Right to Enter and Inspect.** The City and/or IFF may enter upon the Premises to inspect the Premises, at any time or times hereafter, without any fee or charge for rent.

4.3. **Preservation, Restoration and Use of Premises.** Tenant shall maintain and use the Premises as a Head Start and/or child care center for the Lease Term.

4.4. **Tenant’s Agreement to Indemnify.** Any liability of Tenant for its own acts or neglect

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will not be assumed by the City, IFF, any Replacement Delegate Agency or any Substitute Tenant, and Landlord, its affiliates and said organizations' agents, employees and servants agree not to make any such claim against them.

Section 5. Consent to Cure.

5.1. Lease Cure. Upon default of the Tenant under the Lease ("Lease Default"), the Parties acknowledge and agree that prior to Landlord's exercise of any remedies under the Lease in connection with such Lease Default, the City or IFF may, at their sole option (although in no event shall the City or IFF have any obligation to do so), intervene to ensure that the default is cured by Tenant, a Replacement Delegate Agency or a Substitute Tenant, and that Landlord shall accept the payment of money or performance of any other obligation by the City, IFF, a Replacement Delegate Agency or a Substitute Tenant for Tenant, as if such payment of money or performance had been made by Tenant. The City or IFF shall have ninety (90) days concurrently from the date of receipt of notice of default that has been served in full compliance with Section 6.9 hereof, unless otherwise specified in Sections 5.5 and 5.6 hereof, (the "Cure Period") in which to intervene to attempt to cure the default ("Lease Cure"). Landlord agrees not to exercise any of its remedies under the Lease until expiration of the Cure Period. Landlord shall accept the Lease Cure as if such Lease Cure were made by Tenant, provided the Lease Cure is effected in accordance with this Rider within the Cure Period.

5.2. The City's Right to Substitute Another Entity Under the Lease. Notwithstanding any other provision of the Lease, Landlord and Tenant recognize and hereby consent that, in the event of a default, or the withdrawal or termination of Tenant as a delegate Head Start agency, the Lease as amended by this Rider may be assumed by Substitute Tenant or a Replacement Delegate Agency. Landlord will have the right to approve the Substitute Tenant or the Replacement Delegate Agency designated by the City (with the approval of IFF to the extent provided in the Inter-Funder Agreement) to assume the Lease, but such approval will not be withheld except for good cause and will not be unreasonably delayed.

5.3. Tenant Shall Cooperate With Substitution. Tenant covenants and agrees that, in the event the City designates a Substitute Tenant, or a Replacement Delegate Agency to assume Tenant's rights, obligations and liabilities under the Grant Documents and the Lease, Tenant will relinquish to such Substitute Tenant or Replacement Delegate Agency possession and all property interests that Tenant might have in the Premises subject to any compensation that Tenant may be entitled to receive as provided in 45 C.F.R. § 74.32(c)(3), and succeeding laws and regulations.

5.4. Substitution by the City Shall Not Constitute an Event of Default. Notwithstanding any other provisions of the Lease, the Parties agree that any substitution of Tenants by the City shall not constitute an event of default under the Lease. The Parties further expressly covenant and agree that any such substitution by the City shall not trigger any acceleration clause or other remedy under the Lease.

5.5. Special Period for Curing Certain Non-Monetary Defaults. With respect to non-monetary defaults that cannot with due diligence be cured within ninety (90) days from the date of receipt of notice of default that has been served in full compliance with Section 6.9 hereof, if the City or IFF promptly commences to cure the default within the ninety (90) day period and thereafter continues to attempt to cure it with due diligence, then the City or IFF shall have the right to such additional time as may be reasonably necessary to finish curing the default.

5.6. Delay of Exercise of Remedies Pending Cure. In the event of a default under the Lease, notwithstanding any other provision of the Lease, Landlord agrees that it shall not commence, eviction, or any other remedies that affect use or possession of the Premises until after: (i) the City has been properly served, in full compliance with Section 6.9 hereof, with notice of default and intent to exercise remedies; and (ii) one of the following events has occurred:

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- (a) the responsible City official informs Landlord in writing that the City has decided not to cure the default; or
- (b) the City fails to timely cure the default within the period of time set forth in Sections 5.1 and 5.5 hereof.

5.7. Grant Cure. Upon default of Tenant under the Grant Agreement (“Grant Default”), the City shall provide prompt written notice of the Grant Default to Landlord. Landlord acknowledges and agrees that, in connection with such Grant Default, the City shall have the right to exercise its remedies as Grantor under the Grant Agreement; provided, however that IFF shall have the right to cure such Grant Default in accordance with the terms and provisions of the Inter-Funder Agreement on the Tenant’s behalf (although in no event shall IFF have any obligation to do so) (such cure by IFF may hereinafter be referred to as the “Grant Cure”).

5.9. Loan Cure. Upon default of Tenant under the Loan Documents (“Loan Default”), IFF shall provide prompt written notice of the Loan Default to Landlord. The Parties acknowledge and agree that prior to IFF’s exercise of certain of its remedies under the Loan Documents (as further set forth in Section 5.3 of the Inter-Funder Agreement) in connection with the Loan Default, the City shall have the right to cure such Loan Default in accordance with the terms and provisions of the Inter-Funder Agreement on Tenant’s behalf (although in no event shall the City have any obligation to do so) (such cure by the City may hereinafter be referred to as the “Loan Cure”).

5.10. Consent to IFF’s Exercise of Rights. Landlord acknowledges, agrees and consents to (i) the exercise by IFF of Tenant’s rights and interests under the Lease to the extent necessary to effectuate the Grant Cure and/or Lease Cure, respectively, provided, that such exercise does not violate the material terms and provisions of the Lease (unless otherwise agreed to, in writing, by Landlord); and (ii) in the case of a Loan Default, the exercise by IFF of its rights and remedies under the Loan Documents. Landlord acknowledges and agrees that none of the actions detailed in the foregoing Sections 5.10 (i) and (ii) shall constitute an event of default under the Lease or trigger any remedy under the Lease. Landlord acknowledges and agrees that IFF may exercise the rights and remedies set forth herein, in the manner set forth herein, without objection, delay, or interference by Landlord and in such case, Landlord will make no claim or demand against the Premises.

Section 6. General Terms.

6.1. Binding on Assigns. The Lease and this Rider shall bind and inure to the benefit of the Parties and their respective heirs, executors, administrators, successors and assigns. In the event of any sale of the Real Estate or any portion thereof by Landlord (including, but not limited to, any sale by foreclosure on any lien of any mortgage, deed of trust or other security interest, or any giving of a deed in lieu of foreclosure by Landlord), the purchasers/transferees and their successors and assigns will be deemed to have assumed all obligations of Landlord under the Lease as amended by this Rider, so as to establish direct privity of estate and contract between Tenant and such purchasers/transferees, with the same force, effect and relative priority in time and right as if the Lease had initially been entered into between such purchasers/ transferees and Tenant.

6.2. Counterparts. This Rider may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

6.3. Intentionally Left Blank.

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6.4. Headings. The titles of the sections of this Rider are solely for the convenience of the Parties and shall not be used to explain, modify or aid in the interpretation of the provisions of this Rider.

6.5. Modification of Tenant's Liabilities. IFF may, without affecting the validity of this Rider, extend, amend or in any way modify the terms of payment or performance of any of Tenant's Liabilities or increase or create new or additional Tenant's Liabilities pursuant to the Loan Documents, without the consent of Landlord provided IFF shall give notice thereof to Landlord.

6.6. No Modification of the Lease. Other than as provided by this Rider, neither Landlord nor Tenant shall, without the prior written consent of the City and IFF, surrender the Leasehold Estate created by the Lease; or assign, terminate or cancel the Lease or modify, extend, change, supplement, alter or amend the Lease, in any respect, or sublet the Premises or any part thereof either orally or in writing; or waive, excuse, condone or in any way release or discharge Landlord of or from the terms, covenants and conditions on the part of Landlord to be performed or observed.

6.7. No Modification of this Rider. No modification, waiver, amendment or discharge of this Rider shall be valid unless the same is in writing, authorized by the City and IFF in writing, and signed by the Party against which the enforcement of such modification, waiver, amendment, discharge or change is sought. No provision hereof shall be modified or limited by course of conduct or usage of trade except by a written agreement executed pursuant hereto.

6.8. No Rights to Third Parties other than the City and IFF. Tenant, for so long as the Lease is operative, shall not grant any rights to third parties to the Leasehold Estate, other than those rights to third parties contained in this Rider, for the entire remainder of the Lease Term without prior written approval from the City and IFF.

6.9. Notice.

6.9.1. Notice by Tenant. Tenant covenants and agrees to provide the City and IFF with:

- (a) notice of any default by Tenant under the Lease, on the date of the discovery of such default;
- (b) notice that Landlord has notified Tenant of any default or its intent to exercise the remedy of eviction and/or other remedies, on the day that Tenant receives such notice from Landlord; and
- (c) a true and correct copy of any default notice from Landlord.

6.9.2. Notice by Landlord. Landlord covenants and agrees to provide the City and IFF with notice:

- (a) of any default by Tenant under the Lease, as soon as practicable after the day that Landlord first knows of such default, and
- (b) that Landlord intends to exercise its remedy of eviction and/or other remedies, on the day that Landlord notifies Tenant that it intends to exercise such remedy or remedies, or, if Landlord does not notify Tenant, on the day that Landlord decides to exercise such remedy or remedies.

6.9.3. Addresses for Notice. Whenever notice to the City or IFF is required under this Rider, Landlord and Tenant covenant and agree to provide both telephonic and written notification (by registered mail, return receipt requested) to the following respective addresses.

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If to the City: City of Chicago
 Department of Human Services
 Attn: Commissioner
 1615 West Chicago Avenue
 Chicago, Illinois 60622
 (312) 746-8545

and to: City of Chicago
 Corporation Counsel
 Attn: Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602
 (312) 744-0200

If to IFF: Illinois Facilities Fund
 300 West Adams Street
 Chicago, Illinois 60606
 Attn: President
 (312) 629-0060

and to: Sidley Austin Brown & Wood.
 Bank One Plaza
 10 South Dearborn
 Chicago, Illinois 60603
 Attention: John M. Rafkin
 (312) 853-7065

In addition, if one or more of the offices listed above has a change of name, address and/or telephone number, Tenant and Landlord further covenant and agree to take all reasonable action necessary to discover and notify the appropriate offices.

6.9.4. Contents of Notification to the City. Landlord and Tenant covenant and agree to include the following information in the written notice to the City whenever such notice is required under this Rider:

- (a) the full names, addresses, and telephone numbers of Landlord and Tenant;
- (b) the date and nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances which required the notice;
- (c) in the event that Landlord will be exercising the remedy of eviction and/or other remedies, the date or expected date of the eviction and/or exercise of other remedies.

Landlord and Tenant may use the form attached as Exhibit B hereto in their notification pursuant to Section 6.9 hereof.

6.9.5. Tenant's Promise to Notify Landlord of Changes in the City's Addresses. Tenant covenants and agrees to give Landlord written and telephonic notice of any change of name, address and/or telephone number of a City or Office of General Counsel ("OGC") office listed in Section 6.9.3 hereof as soon as Tenant receives notice or has knowledge of such change.

6.10. Severability. In the event that any of the covenants, agreements, terms or provisions

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contained in this Rider shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms and provisions contained herein shall not be in any way affected, prejudiced or disturbed thereby.

6.11. Term of Agreements and Covenants in favor of the City. The agreements, covenants, representations and warranties contained in this Rider in favor of the City shall continue in force until the later of (i) termination of the Lease, or (ii) the expiration or termination of the Grant Agreement.

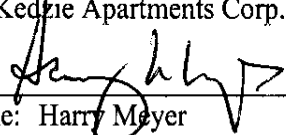
6.12. Term. Agreements and Covenants in favor of IFF. The agreements and covenants in favor of IFF contained in this Rider shall continue in force until the date upon which all Tenant's Liabilities are paid and satisfied in full and all financing arrangements between IFF and Tenant have been terminated. Upon such termination of the Parties' agreements and covenants in favor of IFF, at Landlord's request, IFF shall provide Landlord with a document releasing IFF's lien against the Premises; provided, however, that any such document shall expressly provide that such release shall in no way amend, restate, release or modify Tenant's Liabilities pursuant to the Loan Documents or any outstanding agreements and covenants in favor of the City.

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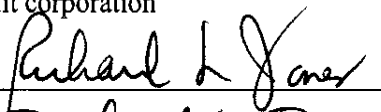
IN WITNESS WHEREOF, each Party to this Lease Agreement Rider has caused it to be executed at Chicago, Illinois on the date first above written.

Kedzie Limited partnership, an Illinois Limited Partnership

By: Kedzie Apartments Corp., the General Partner

By: 
Name: Harry Meyer
Title: Vice President

Metropolitan Family Services, an Illinois Special Charter not-for-profit corporation

By: 
Name: Richard L. Jones, PhD
Title: President

Property of Cook County Clerk's Office

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EXHIBIT A

Legal Description:

The estate or interest in the land described below is the leasehold estate created by the lease executed by Kedzie Limited Partnership, an Illinois limited partnership, as Lessor, and Metropolitan Family Services, as Lessee, dated August 15, 2002, which lease was recorded on _____ as Document _____, which lease demises the following described land for a term of years beginning June 1, 2002 and ending May 31, 2017.

Parcel 1:

LOTS 1 THROUGH 11 AND THE EAST 1 FOOT OF LOT 12, TOGETHER WITH THE 16 FOOT ALLEY SOUTH OF AND ADJOINING SAID LOTS 1 THROUGH 11 AND THE EAST 1 FOOT OF LOT 12 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 2 IN JOHN F. EBERHART'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 2:

LOT 36 AND THE WEST 10 FEET OF LOT 37 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 2 OF JOHN F. EBERHARTS SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address: 3215 W. 63rd Street
Chicago, Illinois 60629

PIN(s): 19-23-203-008-000
19-23-203-009-000
19-23-203-010-000
19-23-203-011-000
19-23-203-012-000
19-23-203-013-000
19-23-203-014-000
19-23-203-021-000
19-23-203-037-000
19-23-203-038-000

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EXHIBIT B Form of Written Notice to the City

NOTICE

Full names, addresses, and telephone numbers of Landlord and Tenant

Landlord: _____
Address: _____
Telephone: _____

Tenant: _____
Address: _____
Telephone: _____

1. Date and nature of the default and the manner in which the default may be cured and/or an explanation of other circumstances which required this notice:

2. If Landlord will be exercising the remedy of eviction and/or other remedies, the date or expected date of the eviction and/or exercise of other remedies and a description of the remedies to be exercised:

3. Attach true and correct copies of any written communication by the parties prompting this Notice.

4. Provide both telephonic and written notification (by registered mail, return receipt requested) to the following respective addresses:

If to the City: City of Chicago
 Department of Human Services
 Attn: Commissioner
 1615 West Chicago Avenue
 Chicago, Illinois 60622
 (312) 746-8545

and to: City of Chicago
 Corporation Counsel
 Attn: Finance and Economic Development Division
 121 North LaSalle Street, Room 600
 Chicago, IL 60602
 (312) 744-0200

UNOFFICIAL COPY**EXHIBIT C****RESTRICTIVE COVENANT**

This instrument prepared by
and when recorded return to:

Ann R. Perkins
Assistant Corporation Counsel
City of Chicago
Department of Law
121 North LaSalle Street
Room 600
Chicago, Illinois 60602

RESTRICTIVE COVENANT

For and in consideration of that certain grant made by the City of Chicago, Illinois, an Illinois municipal corporation (the "City"), to Metropolitan Family Services, an Illinois special charter not-for-profit corporation, having its principal offices at 14 E. Jackson Boulevard Chicago, Illinois ("**Declarant**") pursuant to, and in accordance with, the terms and provisions of that certain Chicago Children's Capital Fund Grant Agreement, dated as of the date hereof (the "**Grant Agreement**"), Declarant hereby covenants and agrees with the City, its successors and assigns as follows:

1. Declarant represents, warrants and covenants that it is the lessee, pursuant to that certain Lease, dated August 15, 2002, by and between Kedzie Limited Partnership, an Illinois Limited Partnership as "**Lessor**" and Declarant as "**Lessee**" of certain first-floor premises, together with all improvements located thereon, which premises and improvements are located on real property commonly known as 3215 W. 63rd Street and described on Exhibit A, attached hereto and made a part hereof (the "**Property**").
2. Declarant represents, warrants and covenants on behalf of itself, its successors, assigns, transferees, grantees, lessees and any other person or entity currently having or in the future obtaining any right, title or interest in the Property, that the Property shall be used solely for the conversion of the existing project located on the Property into a Head Start and/or child care project and operation of such child care project, pursuant to the terms and conditions set forth in the Grant Agreement.
3. Subject to Paragraphs 4 and 5 hereof, this Restrictive Covenant shall be effective upon the date of its recording and shall remain in full force and effect up to and including five (5) years after the expiration of the Grant Agreement and any extensions thereto. The Grant Agreement shall expire on the later of (i) the maturity date of the Private Financing (as defined in the Grant Agreement) and (ii) the date which is ten (10) years after the Closing Date (as defined in the Grant Agreement).
4. Notwithstanding Paragraph 3 hereof and subject to the terms and conditions of that certain Inter-Funder Agreement by and among the City, Illinois Facilities Fund, an Illinois not-for-profit corporation ("**IFF**") and Declarant, this Restrictive Covenant is junior and subordinate to, and in the event of a default by the Declarant of any of the terms and conditions of a loan which is secured by, a leasehold mortgage on the

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Property and the failure of Declarant to cure such default (including, without limitation, with respect to the Private Financing), then upon completion of proceedings initiated by any such secured lender seeking to foreclose the lien of its leasehold mortgage against the Property (or conveyance in lieu of foreclosure), then and in such event upon (i) the recording of a lease with a replacement tenant selected by IFF or (ii) in connection with a conveyance in lieu of foreclosure transaction, this Restrictive Covenant shall cease, determine and terminate and be of no further force and effect.

6. Notwithstanding Paragraph 3 hereof, nothing in this Restrictive Covenant shall be construed to limit Declarant's duty to comply with 45 C.F.R. 74.32 or any other federal laws regulating the use and disposition of the Property.

7. The Property is and shall be transferred, held, sold, conveyed and accepted subject to the covenants contained herein, such covenants shall be binding upon and inure to the benefit of Declarant, its successors and assigns and such covenants shall run with the Property, to be held, sold and conveyed subject thereto.

8. This Restrictive Covenant may be executed in multiple counterparts, all of which shall constitute one and the same instrument.

9. This Restrictive Covenant is for the benefit of the City (as defined in the Grant Agreement), and no other person or entity will be entitled to rely on this Declaration, receive any benefit from it or enforce any provisions of it against Declarant or its successors or assigns.

10. This Declaration shall be governed by and interpreted in accordance with the laws of the State of Illinois.

[The remainder of this page is intentionally blank.

Signatures appear on the following page.]

Property of Cook County Clerk's Office

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IN WITNESS WHEREOF, the Declarant has executed and delivered this Restrictive Covenant as of this ____ day of July, 2003.

DECLARANT:

Metropolitan Family Services, an Illinois
Special charter not-for-profit corporation

By: _____

Name: _____

Title: _____

Property of Cook County Clerk's Office

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EXHIBIT A TO RESTRICTIVE COVENANT

Legal Description

Legal Description:

The estate or interest in the land described below is the leasehold estate created by the lease executed by Kedzie Limited Partnership, an Illinois limited partnership, as Lessor, and Metropolitan Family Services, as Lessee, dated August 15, 2002, which lease was recorded on _____ as Document _____, which lease demises the following described land for a term of years beginning June 1, 2002 and ending May 31, 2017.

Parcel 1:

LOTS 1 THROUGH 11 AND THE EAST 1 FOOT OF LOT 12, TOGETHER WITH THE 16 FOOT ALLEY SOUTH OF AND ADJOINING SAID LOTS 1 THROUGH 11 AND THE EAST 1 FOOT OF LOT 12 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 2 IN JOHN F. EBERHART'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Parcel 2:

LOT 36 AND THE WEST 10 FEET OF LOT 37 IN BLOCK 1 IN THE SUBDIVISION OF BLOCKS 1 AND 2 OF JOHN F. EBERHART'S SUBDIVISION OF THE NORTHEAST ¼ OF SECTION 23, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Address: 3215 W. 63rd Street
Chicago, Illinois 60629

PIN(s): 19-23-203-008-000
19-23-203-009-000
19-23-203-010-000
19-23-203-011-000
19-23-203-012-000
19-23-203-013-000
19-23-203-014-000
19-23-203-021-000
19-23-203-037-000
19-23-203-038-000