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After Recording Return



To: **Karen D. Bielarz**
Senior Staff Counsel
Office of the General Counsel
Chicago Housing Authority
200 W. Adams Street, Suite 2100
Chicago, Illinois 60606

Doc#: **0336534182**
Eugene "Gene" Moore Fee: \$94.00
Cook County Recorder of Deeds
Date: 12/31/2003 03:19 PM Pg: 1 of 36

Handwritten notes: 12/31/03, 02/15/04, and a circled '6'.

FIRST MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT

THIS FIRST MORTGAGE, SECURITY AGREEMENT AND FINANCING STATEMENT ("Mortgage") is made as of this 31st day of December, 2003, by Chicago Metropolitan Housing Development Corporation ("CMHDC"), an Illinois not-for-profit corporation (the "Mortgagor"), with an address of 200 W. Adams, Suite 2103, Chicago, Illinois 60606 to Chicago Housing Authority ("CHA"), and, together with its successors and assigns, having its principal office at 626 West Jackson Street, Chicago, Illinois 60661 ("Mortgagee").

All capitalized terms, unless defined herein, shall have the same meanings as are set forth in that certain Loan Agreement dated or even date herewith between Mortgagor and Mortgagee (herein as the same may be amended, supplemented or restated from time to time called the "Loan Agreement").

WITNESSETH:

WHEREAS, Mortgagor has concurrently herewith executed and delivered a promissory note bearing even date herewith, in the principal sum as described on Exhibit B attached hereto and hereby made a part hereof, and made payable to Mortgagee (herein such note together with all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal, substitution or extension thereof shall be called the "Note") in which Mortgagor promises to pay said principal sum, plus interest, if any, thereon at the rate specified on Exhibit B hereto, and the maturity of which Note is described on Exhibit B hereto; and

WHEREAS, Mortgagee desires to secure repayment of the indebtedness evidenced by the Note, together with interest, if any, and any additional indebtedness or obligations incurred by Mortgagor on account of any future payments, advances or expenditures made by Mortgagee pursuant to all agreements, instruments and documents executed and delivered to Mortgagee previously, now or hereafter by, on behalf of or for the benefit of the Mortgagor in connection with the PHA-Assisted Units (as hereinafter defined), including but not limited to this Mortgage, the Note, Loan Agreement, Assignment of Rents and Leases, Declaration, UCC Financing Statements, Environmental Agreement, and the Regulatory Agreement, all as from time to time amended, supplemented or restated (the "Loan Documents"), between the Mortgagor and the CHA; and

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NOW, THEREFORE, in order to secure payment of principal, interest and other amounts due under the Note and of all other payments due to Mortgagee by Mortgagor under any of the Loan Documents and performance of the covenants and agreements contained in this Mortgage, including any substitutions, extensions or modifications hereto, Mortgagor does grant, assign, warrant, convey and mortgage to Mortgagee, its successors and assigns, and grants to Mortgagee, its successors and assigns forever a continuing security interest in and to, all of the following rights, interests, claims and property:

(A) all of the fee interests of Mortgagor in the real estate, as more particularly described on Exhibit A attached hereto and hereby made a part hereof, and all easements, water rights, hereditaments, mineral rights and other rights and interests appurtenant thereto, and stipulated herein (the "Real Property");

(B) all improvements of every kind and description now or hereafter erected, situated or placed upon the Real Property, together with any fixtures or attachments now or hereafter owned by Mortgagor and located in or on, forming part of, attached to, used or intended to be used in connection with or incorporated in the Real Property, including all extensions, additions, betterments, renewals, substitutions and replacements of any of the foregoing (the "Improvements");

(C) any interests, estates or other claims of every name, kind or nature, both at law and in equity, which Mortgagor now has or may acquire in the Real Property, the Improvements, the Equipment (as hereinafter defined) or any of the property described in clauses (D), (E), (F), (G), (H) or (I) hereof;

(D) all of Mortgagor's interest and rights in and to that certain Regulatory Agreement by Mortgagor and the Mortgagee, dated of even date, which has been executed by CHA and the Mortgagee and all other leases, subleases and agreements, written or oral, now or hereafter entered into, affecting the Real Property, the Improvements, the Equipment or any part thereof, and all income, rents, issues, proceeds and profits accruing therefrom (provided that the assignment hereby made shall not diminish or impair the obligations of Mortgagor under the provisions of such leases, subleases or agreements, nor shall such obligations be imposed on Mortgagee);

(E) all right, title and interest of Mortgagor in and to all fixtures, personal property of any kind or character now or hereafter attached to, contained in and used or useful in connection with the Real Property or the Improvements, together with all furniture, furnishings, apparatus, goods, systems, fixtures and other items of personal property of every kind and nature, now or hereafter located in, upon or affixed to the Real Property or the Improvements, or used or useful in connection with any present or future operation of the Real Property or the Improvements, including, but not limited to, all apparatus and equipment used to supply heat, gas, air conditioning, water, light, power, refrigeration, electricity, plumbing and ventilation, including all renewals, additions and accessories to and replacements of and substitutions for each and all of the foregoing, and all proceeds therefrom (the "Equipment");

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(F) all of the estate, interest, right, title or other claim or demand which Mortgagor now has or may acquire with respect to (i) proceeds of insurance in effect with respect to the Real Property, the Improvements or the Equipment, and (ii) any and all awards, claims for damages, judgments, settlements and other compensation made for or consequent upon the taking by condemnation, eminent domain or any like proceeding of all or any portion of the Real Property, the Improvements or the Equipment;

(G) all intangible personal property, accounts, licenses, permits, instruments, contract rights, and chattel paper of Mortgagor, including, but not limited to cash, accounts receivable, bank accounts, certificates of deposit, rights (if any) to amounts held in escrow, deposits, judgments, liens and causes of action, warranties and guarantees, relating to the Real Property, the Equipment or the Improvements or as otherwise required under the Loan Documents;

(H) all other property rights of Mortgagor of any kind or character related to all or any portion of the Real Property, the Improvements or the Equipment; and

(I) the proceeds from the sale, transfer, pledge or other disposition of any or all of the property described in the preceding clauses.

All of the property referred to in the preceding clauses (A) through (I) shall be called, collectively, the "PHA-Assisted Units." For purposes of this Mortgage, the "Act" shall mean the Illinois Mortgage Foreclosure Law, 735 ILCS 5/15-1101 et seq., as amended, supplemented and restated from time to time.

IT IS FURTHER agreed, intended and declared that all the aforesaid property rights and interests shall, so far as permitted by law, be deemed to form a part and parcel of the PHA-Assisted Units and be covered by this Mortgage.

TO HAVE AND TO HOLD the PHA-Assisted Units unto Mortgagee and its successors and assigns, forever, for the purposes and uses herein set forth.

To protect the security of this Mortgage, Mortgagor further covenants and agrees as follows:

1. **Principal and Interest.** Mortgagor shall pay promptly when due the principal of and interest, if any, on the Note and any other sums required to be paid on the Note or under the other Loan Documents at the times and in the manner provided therein and shall pay any other indebtedness secured hereby as the same becomes due and shall perform and observe all of the covenants, agreements and provisions contained herein and in the other Loan Documents.

2. **Representation, Warranties and Covenants of Mortgagor.**

(a) Mortgagor represents and warrants to Mortgagee as follows:

(i) all representations and warranties of Mortgagor contained in this Mortgage and the other Loan Documents are true, accurate and complete at the

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time of Mortgagor's execution hereof and thereof and shall survive in all material respects the execution, delivery and acceptance hereof by the parties hereto for as long as any amounts payable under Section 1 hereof are outstanding;

(ii) Mortgagor is an Illinois not-for-profit corporation duly organized and validly existing under the laws of the State of Illinois;

(iii) the Mortgagor has the right, power and authority to enter into, execute, deliver and perform this Mortgage, all other Loan Documents, and any other contracts and agreements in association with the Mortgage, including but not limited to the purchase agreement ("Purchase Agreement") entered into between the Mortgagor and the developer/seller of the PHA-Assisted Units;

(iv) the execution, delivery and performance by the Mortgagor of this Mortgage and the other Loan Documents have been duly authorized by all necessary action of the Mortgagor and will not violate any provision of law (including any order, writ, injunction or decree binding upon the Mortgagor or the PHA-Assisted Units) or result in the breach of or constitute a default under or require any consent under, or result in the creation of any lien, charge or encumbrance), upon the PHA-Assisted Units or any other property or assets of the Mortgagor under the Domain Lofts and River Village condominium by-laws and condominium declarations, Mortgagor's Articles of Incorporation and By-laws, any agreement, instrument, restriction or document to which the Mortgagor is now or hereafter a party or by which the Mortgagor or the PHA-Assisted Units are or may become bound or affected;

(v) Mortgagor has good, indefeasible and merchantable title to the PHA-Assisted Units and all beneficial interest therein free and clear of all liens, charges and encumbrances except Permitted Encumbrances. Mortgagor shall dedicate the PHA-Assisted Units to use as "public housing" under the terms of the Act, HUD Regulations, the ACC, the ACC Mixed-Finance Amendment, the Declaration, and the Regulatory Agreement;

(vi) Mortgagor is now solvent and able to pay its debts as they mature;

(vii) there are no actions or proceedings by or before any court or governmental commission, board, bureau or other administrative agency pending or to the Mortgagor's best knowledge, threatened, against or affecting Mortgagor which if adversely determined could materially and adversely affect Mortgagor's ability to perform its obligations under the Note, this Mortgage or the Loan Documents, or which might result in any material, adverse change to Mortgagor's financial condition or may materially affect the PHA-Assisted Units or Mortgagor's other property or assets; and

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(viii) Mortgagor is not obligated under any written contract, lease or agreement with respect to the ownership, use, operation or maintenance of the PHA-Assisted Units, except for the obligations of Mortgagor under the Regulatory Agreement and the Permitted Encumbrances as described on Exhibit C hereto.

(b) Mortgagor shall:

(i) subject to the terms of the Regulatory Agreement during its term, maintain and operate the PHA-Assisted Units as provided in and subject to the Regulatory Agreement for public housing eligible households as provided in Section 3(b) of the United States Housing Act of 1937, as amended, and as may hereinafter be amended from time to time or any successor legislation;

(ii) promptly repair, restore, replace or rebuild any portion of the PHA-Assisted Units which may become damaged, destroyed, altered, removed, severed or demolished, whether or not insurance proceeds are available or sufficient for the purpose, with replacements at least equal in quality and condition as existed prior thereto, free from any security interest in, encumbrances on or reservation of title thereto except Permitted Encumbrances;

(iii) keep and maintain the PHA-Assisted Units in good condition and repair, without waste, and free from mechanics' liens, materialmen's liens or other liens and claims except Permitted Encumbrances; complete, within a reasonable time, any construction of improvements now or hereafter constructed upon the PHA-Assisted Units;

(iv) comply in all material respect, with all statutes, rules, regulations, orders, decrees and other requirements of any federal, state or local governments having jurisdiction over the PHA-Assisted Units and the use thereof and observe and comply with any conditions and requirements necessary to preserve and extend any and all rights, licenses, permits (including without limitation zoning variances, special exceptions and non-conforming uses), privileges, franchises and concessions that are applicable to the ownership, renovation, use and occupancy of the PHA-Assisted Units;

(v) make no material alterations in the PHA-Assisted Units (except those required by law) without Mortgagee's prior written consent;

(vi) suffer or permit no change in the general nature of the occupancy or use of the PHA-Assisted Units for residential purposes without Mortgagee's prior written consent;

(vii) pay all operating costs of the PHA-Assisted Units when due, including all utility charges and all other assessments or charges of a similar nature;

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(viii) not initiate or acquiesce in any zoning reclassification with respect to the PHA-Assisted Units, without Mortgagee's prior written consent;

(ix) not abandon the PHA-Assisted Units, nor do anything whatsoever to depreciate or impair the value of the PHA-Assisted Units or the security of this Mortgage;

(x) refrain from any action and correct any condition which would increase the risk of fire or other hazard to all or any portion of the PHA-Assisted Units;

(xi) not permit any unlawful use or nuisance to exist upon the PHA-Assisted Units, and

(xii) comply in all material respects with all instruments and documents of record or otherwise affecting the use or occupancy of all or any portion of the PHA-Assisted Units.

3. **Taxes and Charges.** Mortgagor agrees to pay or cause to be paid, prior to delinquency, all Charges (as hereinafter defined) which are assessed or imposed upon the PHA-Assisted Units or upon any of the Loan Documents, or become due and payable, and which create, may create or appear to create a lien upon the PHA-Assisted Units or any part thereof or upon any of the Loan Documents; provided, however, that if by law any such Charge is payable or, at the option of Mortgagor, may be paid in installments, Mortgagor may pay the same together with any accrued interest on the unpaid balance of such Charge in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest. ("Charge" shall mean and include all federal, state, county, city, municipal or other governmental (or any instrumentality, division, agency, body or department thereof) taxes, levies, assessments, charges, liens, claims or encumbrances related to the PHA-Assisted Units, Mortgagor, or any of the Loan Documents.)

Mortgagor shall furnish Mortgagee within thirty (30) days after the date upon which any Charge is due and payable by Mortgagor, official receipts of the appropriate authority or other proof satisfactory to Mortgagee, evidencing the payment thereof. Mortgagor shall have the right before any delinquency occurs to contest or object to the amount or validity of any Charge by appropriate legal proceedings properly instituted and prosecuted in such manner as shall stay collection of the contested Charge and prevent the imposition of a lien or the sale or forfeiture of the PHA-Assisted Units to collect the same; provided that no such contest or objection shall be deemed or construed in any way as relieving, modifying or extending Mortgagor's covenant to pay any such Charge at the time and in the manner provided in this Mortgage unless Mortgagor has given prior written notice to Mortgagee of Mortgagor's intent to contest or object to a Charge and, unless at Mortgagee's sole option, (i) Mortgagor shall demonstrate to Mortgagee's satisfaction that legal proceedings instituted by Mortgagor contesting or objecting to such Charge shall conclusively operate to prevent a lien against or the sale or forfeiture of the PHA-Assisted Units or any part thereof as satisfaction of such Charge prior to final determination of such

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proceedings, and (ii) Mortgagor shall furnish to Mortgagee a good and sufficient bond or surety, or a good and sufficient undertaking as may be required or permitted by law, to accomplish a stay of any such sale or forfeiture of the PHA-Assisted Units during the pendency of such contest, in an amount (x) not less than 125% of such Charge and (y) adequate fully to pay all such contested Charges and all interest and penalties upon the adverse determination of such contest.

4. **Insurance.** Mortgagor shall procure and maintain, or cause to be maintained, at all times, at Mortgagor's own expense, until final repayment of the indebtedness secured hereby, adequate insurance to protect the Mortgagor and Mortgagee from financial loss resulting from hazards, including, without limitation, hazards insured against under such types of coverages as are required by Part B, Attachment VII, of the ACC, or if stricter, such coverages and in such amounts as may be required under the CHA Loan and such other hazards to which the Mortgagor determines that exposure exists. Without limiting the generality of the foregoing, the Mortgagor shall maintain all-risk insurance with respect to all insurable property pertaining to the PHA-Assisted Units, against loss or damage by fire, lightning, windstorm, explosion, hail, tornado and such other hazards as are presently included in so-called "all-risk" coverage, in an amount no less than 100% of the full replacement cost, including the cost of debris removal, without deduction for depreciation and sufficient to prevent the Mortgagor from being a co-insurer, such insurance to be in builder's risk (non-reporting) form during and with respect to any construction on the site of the PHA-Assisted Units.

If any act or occurrence of any kind or nature (including any taking by condemnation or any casualty) shall result in damage to or loss or destruction of the PHA-Assisted Units in whole or in part, and without diminution of any obligation of the Mortgagor in respect thereof under the Loan Agreement, the Mortgagor, to the extent that insurance proceeds or condemnation proceeds and other funds, if any, made available to the Mortgagor shall promptly cause the restoration, reconstruction, and/or repair of the PHA-Assisted Units as nearly as possible to its value, condition and character immediately prior to such taking or casualty. Notwithstanding this Section 4, if restoration is not feasible, the provisions of the Illinois Condominium Property Act, 765 Ill. Comp. Stat. Section 605 (the "Condominium Property Act"), shall apply with respect to any of the PHA-Assisted Units that have been converted to condominiums pursuant to the Condominium Property Act.

Mortgagor shall furnish Mortgagee original certificates of insurance evidencing the required coverages to be in force on the date hereof, and renewal certificates of insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term hereof.

The receipt of any certificate does not constitute agreement by Mortgagee that the insurance requirements of this Section have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements. The failure of Mortgagee to obtain certificates or other insurance evidence from Mortgagor shall not be deemed to be a waiver by Mortgagee. Mortgagor shall advise all insurers of the provisions of this Section regarding insurance. Non-conforming insurance shall not relieve Mortgagor of its obligation to

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provide insurance as specified herein. Nonfulfillment of the insurance conditions of this Section shall constitute an Event of Default, and Mortgagee retains the right to suspend disbursement of Loan proceeds until proper evidence of insurance is provided.

All insurance policies shall provide that Mortgagee shall be given thirty (30) days' prior written notice of any modification, nonrenewal or cancellation.

If Mortgagor fails to obtain or maintain any of the insurance policies required under this Mortgage or to pay any premium in whole or in part when due, Mortgagee may (without waiving or releasing any obligation or Event of Default by Mortgagor hereunder) obtain and maintain such insurance policies and take any other action which Mortgagee deems advisable to protect its interest in the PHA-Assisted Units. All sums so disbursed by Mortgagee, including reasonable attorneys' fees, court costs and expenses, shall be reimbursed by Mortgagor upon demand by Mortgagee.

Any and all deductibles or self-insured retention on the insurance coverages required herein shall be borne by Mortgagor, a general contractor or the appropriate subcontractor, as applicable.

Mortgagor expressly understands and agrees that any insurance coverages and limits furnished by Mortgagor shall in no way limit Mortgagor's liabilities and responsibilities specified under any of the Loan Documents or by law.

Mortgagor expressly understands and agrees that any insurance or self-insurance programs maintained with respect to the PHA-Assisted Units by Mortgagee shall apply in excess of and not contribute to insurance provided by Mortgagor, any general contractor or any subcontractor under this Section.

The insurance required hereunder to be carried shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

If Mortgagor, general contractor or any subcontractor desires additional coverage, higher limits of liability, or other modifications for its own protection, Mortgagor, any general contractor or any subcontractor, as appropriate, shall be responsible for the acquisition and cost of such additional protection.

Mortgagee maintains the right to modify, delete, alter or change these requirements.

5. **Inspection of PHA-Assisted Units and of Books and Records.** Mortgagor shall permit Mortgagee, the United States Department of Housing and Urban Development ("HUD") and/or their agents to inspect the PHA-Assisted Units at all reasonable times and upon reasonable notice, and access thereto shall be permitted for that purpose. Mortgagor shall keep and maintain full and correct records at Mortgagor's office showing in detail the income and expenses of the PHA-Assisted Units and shall make such books, records and all supporting vouchers, data and other documents available for inspection, copying (including excerpts and transcriptions), audit and examination upon request by Mortgagee, HUD

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and their respective agents, successors and assigns until the fifth anniversary of the date of repayment of the Loan in full.

6. **Insurance Proceeds.** In the event of any damage to, or destruction of the PHA-Assisted Units, Mortgagor will give written notice to Mortgagee of such damage or destruction within five (5) Business days thereafter and authorize Mortgagee, subject to the provisions of Section 4 herein, to proceed as follows:

(a) In the event of any loss covered by insurance policies, Mortgagee is hereby authorized at its option to either (i) settle and adjust any claim under such policies without the consent of Mortgagor, or (ii) allow Mortgagor to agree with the insurance company or companies on the amount to be paid upon the loss. Mortgagee shall, and is hereby authorized to, collect any such insurance proceeds, and the expenses incurred by Mortgagee in the adjustment and collection of insurance proceeds shall be deemed additional indebtedness secured by this Mortgage and shall be reimbursed to Mortgagee by Mortgagor upon demand.

(b) In the event of any insured damage to, or destruction of, the PHA-Assisted Units or any part thereof, Mortgagee shall apply the proceeds of insurance to reimburse or, at the option of Mortgagee, pay directly Mortgagor for the cost of restoring, repairing, replacing or rebuilding the PHA-Assisted Units if (i) an Event of Default hereunder or an event of default under any of the other Loan Documents, inclusive of any shall not have occurred and be continuing; (ii) such insurance proceeds shall be in an amount sufficient to restore the PHA-Assisted Units to at least the same value and substantially the same character as the PHA-Assisted Units had immediately prior to such damage or destruction (and subject to no liens or encumbrances other than Permitted Encumbrances described in Exhibit C hereto), or if such proceeds are not so sufficient, Mortgagor shall promptly deposit with Mortgagee funds equal to the amount of such deficiency; (iii) Mortgagor shall obtain all required governmental approvals with respect to such restoration, repair, replacement or rebuilding; and (iv) prior to such restoration, repair, replacement or rebuilding, Mortgagee shall receive and approve plans and specifications and a detailed budget and cost breakdown with respect to such work.

(c) In the event, and to the extent that proceeds of insurance, if any, shall be made available to Mortgagor for the restoration, repair, replacement or rebuilding of the PHA-Assisted Units, Mortgagor hereby covenants to restore, repair, replace or rebuild the same, to at least equal value, and substantially the same character as prior to such damage or destruction, all to be effected in accordance with plans and specifications submitted to and approved by Mortgagee, and to expend all such proceeds and any funds deposited by Mortgagor pursuant to Section 6(b)(ii) hereof prior to the further disbursement of any Loan proceeds. If the amount of such insurance proceeds shall be in excess of \$50,000, such proceeds shall be disbursed through an escrow pursuant to an escrow agreement approved by Mortgagee.

(d) If all of the conditions described in paragraph (b) of this Section with respect to the application of proceeds of insurance shall not be met, Mortgagee may, in its

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sole discretion, apply such proceeds to the indebtedness secured hereby in such order or manner as Mortgagee may elect.

(e) To the extent that any amount of proceeds of insurance remain unexpended after completion of the restoration, repair, replacement or rebuilding of the Premise, such amount shall be applied to the indebtedness secured hereby.

7. **Condemnation/Eminent Domain.** Mortgagor shall give Mortgagee prompt notice of any proceedings, pending or threatened, seeking condemnation or taking by eminent domain or any like process ("Taking"), of all or any portion of the PHA-Assisted Units or affecting any easement thereon or appurtenance thereto and shall deliver to Mortgagee copies of any and all papers served in connection with any such proceedings, and Mortgagor hereby assigns and transfers to Mortgagee, the entire proceeds of all awards resulting from any Taking. Mortgagee is hereby authorized to collect and receive from the condemnation authorities said awards and is further authorized to give appropriate receipts therefor. In the event of any such Taking, Mortgagee may, in its sole discretion, as in accordance with the Mixed-Finance ACC Amendment and the Regulatory Agreement, (i) apply the proceeds of all awards resulting from such Taking to the indebtedness secured hereby in such order or manner as Mortgagee may elect, or (ii) apply such proceeds to reimburse or, at the option of Mortgagee, pay directly Mortgagor for the cost of restoring, repairing, replacing or rebuilding the PHA-Assisted Units. In the event that such proceeds, if any, shall be made available to Mortgagor for the restoration, repair, replacement or rebuilding of the PHA-Assisted Units, Mortgagor hereby covenants to restore, repair, replace or rebuild the same, to at least equal value and substantially the same character as prior to such Taking, all to be effected in accordance with plans and specifications submitted to and approved by Mortgagee, and to expend all such proceeds and any funds deposited by Mortgagor pursuant to Section 6(b)(ii) hereof to the further disbursement of any loan proceeds. If the amount of such proceeds shall be in excess of \$50,000, such proceeds shall be disbursed through an escrow pursuant to an escrow agreement approved by Mortgagee.

8. **Transfer and Encumbrance of PHA-Assisted Units.** Mortgagor shall not (a) encumber or convey any interest in all or any portion of the PHA-Assisted Units or any interest therein to secure debt, pledge, mortgage, deed of trust or other interest in the nature thereof for any debt, other than this Mortgage and the Permitted Encumbrances; and (b) create, effect, contract for, commit to, consent to, suffer or permit any conveyance, sale, assignment, collateralize, transfer, inclusive of transfers referenced in paragraph 9(b) of the Regulatory Agreement or alienation (or any agreement to do any of the foregoing, directly or indirectly, by willful act, by operation of law or otherwise), of all or any portion of the PHA-Assisted Units or any interest therein, other than Permitted Encumbrances, (each of the foregoing being referred to herein as a "Prohibited Transfer") unless the transferee assumes the obligations of Mortgagor under this Mortgage pursuant to a document reasonably acceptable to Mortgagee and HUD.

If Mortgagor shall do or allow any of the foregoing Prohibited Transfers without Mortgagee's prior written consent, Mortgagee at its option, has the right to accelerate the maturity of the Note causing the full principal balance thereof and accrued interest, if any, thereon to be immediately due and payable without notice to Mortgagor. Mortgagee, with HUD approval, has the right to terminate the PHA-Assisted Units Operating Subsidy (as defined in the

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Regulatory Agreement). No act of omission or commission of Mortgagee, including specifically any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver, release, or waiver of the right of Mortgagee to insist upon strict compliance with the provisions of this paragraph and paragraph 14 in the future. Any waiver or release is to be effected only through a written document executed by Mortgagee and then only to the extent specifically recited therein.

9. **Mortgagee's Options.** (a) In case of an Event of Default hereunder by Mortgagor, Mortgagee may receive and utilize the PHA-Assisted Units Operating Subsidy, and further may (but is not obligated to) make any payment or perform any act herein required of Mortgagor in any form and manner deemed expedient, and may (but is not obligated to) make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or other prior lien or title or claim thereof, or redeem the PHA-Assisted Units from any tax sale or forfeiture affecting the PHA-Assisted Units or contest any tax or assessment thereon. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorneys' fees, and any other monies advanced by Mortgagee to protect the PHA-Assisted Units and the lien hereof, shall be deemed additional indebtedness secured hereby, and shall become immediately due and payable, with interest thereon at a rate of the lesser of 8% per annum or the maximum permitted by law. Inaction of Mortgagee shall never be considered as a waiver of any right accruing to it on account of any default on the part of Mortgagor.

(b) To the extent that Mortgagee, on or after the date hereof, pays any sum under any provision of law or any instrument or document creating any lien or other interest prior or superior to the lien of this Mortgage, or Mortgagor or any other person or entity pays any such sum with the proceeds of the indebtedness secured hereby, Mortgagee shall have and be entitled to a lien or other interest on the PHA-Assisted Units equal in priority to the lien or other interest discharged and Mortgagee shall be subrogated to, and receive and enjoy all rights and liens possessed, held or enjoyed by, the holder of such lien, which shall remain in existence and benefit Mortgagee in securing the indebtedness secured hereby.

10. **Events of Default.** The following shall constitute an "Event of Default" under this Mortgage:

(i) Mortgagor's failure to pay, when due, any installment of principal or interest, if any, on the Note, or to pay when due (including any applicable notice and/or cure periods) any other sums required to be paid by Mortgagor under the Loan Documents;

(ii) default by Mortgagor in the performance or observance of any condition, warranty, representation, covenant, provision or term (other than as referred to in the other paragraphs of this paragraph) contained herein or in the other Loan Documents, which remains unremedied for thirty (30) days after notice thereof from Mortgagee to Mortgagor; provided, however, that if any such default cannot reasonably be remedied within said 30-day period and if Mortgagor shall have commenced to remedy such default within said 30-day period and shall thereafter continue diligently to effect such remedy, then said 30-day period shall be extended to sixty (60) days upon written request

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from Mortgagor to Mortgagee delivered during such 30-day period, and upon further written request from Mortgagor to Mortgagee delivered during said 60-day period, said 60-day period shall be extended to ninety (90) days, provided that Mortgagee shall not be precluded during any such periods from exercising any remedies available under any of the Loan Documents if its security becomes or is about to become materially jeopardized by any failure to cure a default within such period; provided, however, that the written request specifically states that: (1) the Mortgagor continues to remedy such default; and (2) the default cannot reasonably be remedied within said 60 day period;

(iii) a writ of execution, attachment or any similar process shall be issued or levied against all or any portion of the PHA-Assisted Units or any interest therein, or any judgment involving monetary damages shall be entered against Mortgagor which shall become a lien on all or any portion of the PHA-Assisted Units or any interest therein and such execution, attachment or similar process or judgment is not released, bonded, satisfied, vacated or stayed within thirty (30) days after its entry or levy;

(iv) any warranty, representation or statement made or furnished to Mortgagee by or on behalf of Mortgagor proving to have been false in any material respect when made or furnished, so as to diminish in a material way the security provided in this Mortgage;

(v) the abandonment by Mortgagor of all or any portion of the PHA-Assisted Units;

(vi) Mortgagor's failure to discharge any Charge in accordance with the terms hereof or a failure to procure or maintain any insurance required hereunder;

(vii) the dissolution of Mortgagor or the entry of a decree or order for relief by a court having jurisdiction with respect to Mortgagor in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee or sequestrator (or other similar official) of Mortgagor or for the PHA-Assisted Units or for any substantial part of the property of Mortgagor or ordering the winding-up or liquidation of the affairs of Mortgagor and the continuance of any such decree or order unstayed and in effect for a period of thirty (30) consecutive days;

(viii) the commencement by Mortgagor of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by Mortgagor to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of Mortgagor or the PHA-Assisted Units or of any substantial part of the property of Mortgagor or of any royalties, revenues, rents, issues or profits therefrom, or the making by Mortgagor of any assignment for the benefit of creditors or the failure of Mortgagor generally to pay its debts as such debts become due or the taking of action by Mortgagor in furtherance of any of the foregoing;

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(ix) a final judgment for the payment of money in excess of \$100,000 shall be rendered by a court of record against Mortgagor and Mortgagor shall not discharge the same or provide for its discharge in accordance with its terms, or procure a stay of execution thereof, within sixty (60) days from the date of entry thereof, or such longer period during which execution of such judgment shall have been stayed;

(x) Mortgagor's sale, partial sale, transfer, refinancing, conveyance, mortgage, pledge, grant of security interest, assignment, syndication or other disposition of all or any portion of the PHA-Assisted Units or any interest therein without the prior written consent of Mortgagee, whether by operation of law, voluntarily or otherwise or if Mortgagor shall enter into a contract to do any of the foregoing without the prior written consent of Mortgagee or any other violation of Section 8 hereof;

(xi) any event of default under any of the other Loan Documents which has not been cured within any applicable grace period;

(xii) Mortgagor's failure to transfer the PHA-Assisted Units to the Mortgagee as required by the Call Option and/or the Put Option, as defined in the Regulatory Agreement, as more fully set forth in the Regulatory Agreement.

11. **Acceleration Etc.** Upon the occurrence of an Event of Default hereunder, Mortgagee may elect to accelerate the maturity of the Note causing the full principal balance of and accrued interest, if any, on the Note, together with all other amounts then due and owing by Mortgagor to Mortgagee under any of the Loan Documents, to become immediately due and payable at the place of payment as aforesaid, and Mortgagee may proceed to foreclose this Mortgage and to exercise any rights and remedies available to Mortgagee under this Mortgage, the Assignment of Rents and Leases or any of the other Loan Documents and to exercise any other rights and remedies against Mortgagor, or with respect to the Note, which Mortgagee may have at law, in equity or otherwise; provided, however, that upon the occurrence of an Event of Default under Section 10(vii) or (viii) hereof, the entire unpaid principal of and interest, if any, on the Note shall, without any declaration, notice or other action on the part of Mortgagee, be immediately due and payable, anything herein or in the other Loan Documents to the contrary notwithstanding. Mortgagee may also elect to commence an action to enforce specifically any of the provisions contained in any of the Loan Documents.

12. **Remedies.** Mortgagee's remedies as provided in this Mortgage or the other Loan Documents shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of Mortgagee and may be exercised as often as occasion therefor shall arise, and shall not be exclusive but shall be in addition to every other remedy now or hereafter existing at law, in equity or by statute. Failure of Mortgagee, for any period of time or on more than one occasion, to exercise any such remedy shall not constitute a waiver of the right to exercise the same at any time thereafter or in the event of any subsequent Event of Default. No act of omission or commission of Mortgagee, including specifically any failure to exercise any right or remedy, shall be deemed to be a waiver or release of the same; any such waiver or release is to be effected only through a written document executed by Mortgagee and then only

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to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as a waiver or release of any subsequent event or as a bar to any subsequent exercise of Mortgagee's rights or remedies hereunder. Except as otherwise specifically required herein, notice of the exercise of any right or remedy granted to Mortgagee by the Loan Documents is not required to be given.

13. **Additional Indebtedness.** In the event that: (a) the Note is placed in the hands of an attorney for collection or enforcement or is collected or enforced through any legal proceeding; (b) an attorney is retained to represent Mortgagee in any bankruptcy, reorganization, receivership or other proceedings affecting creditors' rights and involving a claim under any of the Loan Documents; (c) an attorney is retained to protect or enforce the lien of this Mortgage, or the liens or security interests of any of the other Loan Documents; or (d) an attorney is retained to represent Mortgagee in any other proceedings whatsoever in connection with the Loan Documents, or any property subject thereto, then Mortgagor shall pay to Mortgagee all reasonable attorneys' fees, and all costs and expenses incurred in connection therewith.

14. **Waiver.** Mortgagee's failure to require strict performance by Mortgagor of any provision of this Mortgage shall not waive, affect or diminish any right of Mortgagee thereafter to demand strict compliance and performance therewith, nor shall any waiver by Mortgagee of an Event of Default waive, suspend or affect any other Event of Default under this Mortgage, whether the same is prior or subsequent thereto, or of the same or a different type. Mortgagee's delay in instituting or prosecuting any action or proceeding or otherwise asserting its rights hereunder or under any of the other Loan Documents, shall not operate as a waiver of such rights or limit them in any way so long as an Event of Default shall be continuing.

15. **Right of Possession.** To the extent permitted by law, in any case in which, under the provisions of this Mortgage, Mortgagee has a right to institute foreclosure proceedings, whether before or after the institution of such proceedings or before or after sale thereunder, Mortgagor shall, at the option of Mortgagee, surrender to Mortgagee, and Mortgagee shall be entitled to take, actual possession of all or any portion of the PHA-Assisted Units personally or by its agents or attorneys, and Mortgagee, in its sole discretion, may enter upon, take and maintain possession of all or any portion of the PHA-Assisted Units.

Upon taking possession of the PHA-Assisted Units, Mortgagee may make all necessary or proper repairs, decoration, renewals, replacements, alterations, additions, betterments and improvements in connection with the PHA-Assisted Units as it may deem judicious to insure, protect and maintain the PHA-Assisted Units against all risks incidental to Mortgagee's possession, operation and management thereof, and may receive all rents, issues and profits therefrom. Mortgagee 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 Act.

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16. **Appointment of Receiver.** Upon or at any time after the filing of any complaint to foreclose the lien of this Mortgage, the court may, upon application, appoint a receiver of the PHA-Assisted Units. Such appointment may be made either before or after foreclosure sale, without notice, without regard to the solvency or insolvency, at the time of application for such receiver, of the person or persons, if any, liable for the payment of the indebtedness hereby secured, without regard to the value of the PHA-Assisted Units at such time and whether or not the same is then occupied as a homestead, and without bond being required of the applicant. Mortgagee or any employee or agent thereof may be appointed as such receiver. The receiver shall have the power to take possession, control and care of the PHA-Assisted Units and to collect all rents and profits thereof during the pendency of such foreclosure suit, and all powers and duties provided for in Section 5/15-1704 of the Act, and such other powers as the court may direct.

17. **Foreclosure Sale.** The PHA-Assisted Units or any interest or estate therein sold pursuant to any court order or decree obtained under this Mortgage shall be sold in one parcel, as an entirety, or in such parcels and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by Illinois law. At any such sale, Mortgagee may bid for and acquire, as purchaser, all or any portion of the PHA-Assisted Units and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the indebtedness due the amount of Mortgagee's bid.

18. **Adjudication of Proceeds from Foreclosure Sale.** Proceeds of any foreclosure sale of the PHA-Assisted Units 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) all other items which, under the terms hereof, constitute secured indebtedness additional to that evidenced by the Note, with interest thereon, (iii) all principal and interest, if any, remaining unpaid on the Note, and (iv) any surplus or remaining funds to Mortgagor, its successors or assigns, as their rights may appear.

19. **Insurance Upon Foreclosure.** Wherever provision is made in this Mortgage for insurance policies to bear mortgage clauses or other loss payable clauses or endorsements in favor of Mortgagee, or to confer authority upon Mortgagee to settle or participate in the settlement of losses under policies of insurance or to hold and disburse or otherwise control use of insurance proceeds, from and after the entry of judgment of foreclosure all such rights and powers of Mortgagee shall continue in Mortgagee as judgment creditor or mortgagee until confirmation of sale. Upon confirmation of sale, Mortgagee shall be empowered to assign all policies of insurance to the purchaser at the sale. In case of an insured loss after foreclosure proceedings have been instituted, the proceeds of any insurance policy or policies, if not applied in restoring the PHA-Assisted Units, shall be used to pay the amount due in accordance with any foreclosure decree that may be entered in any such proceedings, and the balance, if any, shall be paid as the court may direct.

20. **Waiver of Statutory Rights.** To the extent permitted by law, Mortgagor shall not apply for or avail itself of any appraisal, valuation, redemption, reinstatement, stay, extension or exemption laws or any so-called "Moratorium Laws" now existing or

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hereafter enacted, in order to prevent or hinder the enforcement of foreclosure of this Mortgage and hereby waives the benefit of such laws. Mortgagor, for itself, and all who may claim through or under it, waives any and all right to have the property and estates comprising the PHA-Assisted Units marshaled upon any foreclosure of the lien hereof and agrees that any court having jurisdiction to foreclose such lien may order the PHA-Assisted Units sold as an entirety. To the extent permitted by law, Mortgagor hereby expressly waives any and all rights of redemption and reinstatement, on its own behalf and on behalf of each and every person having a beneficial interest in Mortgagor, it being the intent hereof that any and all such rights of redemption or reinstatement of Mortgagor and of all other persons are and shall be deemed to be hereby waived. Mortgagor acknowledges that the PHA-Assisted Units do not constitute agricultural real estate, as said term is defined in Section 5/15-1201 of the Act or residential real estate as defined in Section 5/15-1219 of the Act.

21. **Partial Payments.** Acceptance by Mortgagee of any payment which is less than payment in full of all amounts due and payable at the time of such payment shall not constitute a waiver of Mortgagee's right to exercise its option to declare the whole of the principal sum then remaining unpaid, together with all accrued interest, if any, thereon, immediately due and payable without notice, or any other rights of Mortgagee at that time or any subsequent time, without its express written consent, except and to the extent otherwise provided by law.

22. **Rescission of Election.** Acceleration of maturity, once made by Mortgagee, may at the option of Mortgagee be rescinded, and any proceedings brought to enforce any rights or remedies hereunder may, at Mortgagee's option, be discontinued or dismissed. In either of such events, Mortgagor and Mortgagee shall be restored to their former positions, and the rights, remedies or powers of Mortgagee shall continue as if such acceleration had not been made or such proceedings had not been commenced, as the case may be.

23 **Notice.** Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested.

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IF TO MORTGAGEE: Chicago Housing Authority
626 West Jackson Street,
Chicago, Illinois 60661
Attention: Chief Executive Officer

WITH COPIES TO: Chicago Housing Authority
200 West Adams Street,
Suite 2100
Chicago, Illinois 60606
Attention: Office of the General Counsel

IF TO MORTGAGOR: Chicago Metropolitan Housing Development Corporation
200 W. Adams, Suite 2103
Chicago, IL 60606
Attention: Rafael Leon,
Executive Director

WITH COPIES TO: Larna E. Tilly, Esq.
Miner Barnhill & Galland, P.C.
14 West Erie
Chicago, Illinois 60610

Such addresses may be changed by notice to the other parties given in the same manner as above provided. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) above shall be deemed received on the Business Day immediately following deposit with the overnight courier and, if sent pursuant to clause (d) above, shall be deemed received two (2) Business Days following deposit in the mail.

24. **Time.** Time is of the essence with respect to the Loan Documents.

25. **Modifications.** This Mortgage may not be altered, amended, modified, cancelled, changed or discharged except by written instrument signed by Mortgagor and Mortgagee or their respective successors and assigns.

26. **Headings.** The headings of articles, sections, paragraphs and subparagraphs in this Mortgage are for convenience of reference only and shall not be construed in any way to limit or define the content, scope or intent of the provisions hereof.

27. **Construction of Mortgage.** This Mortgage shall be construed and enforced according to the internal laws of the State of Illinois without regard to its conflict of laws principles.

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28. **Severability.** If any provision of this Mortgage, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Mortgage shall be construed as if such invalid part were never included herein and this Mortgage shall be and remain valid and enforceable to the fullest extent permitted by law.
29. **Grammar.** As used in this Mortgage, the singular shall include the plural, and masculine, feminine and neuter pronouns shall be fully interchangeable, where the context so requires.
30. **Successors and Assigns.** This Mortgage and each and every covenant, agreement and other provision hereof shall be binding upon Mortgagor and its successors and assigns (including, without limitation, each and every record owner of the PHA-Assisted Units or any other person having an interest therein), and shall inure to the benefit of Mortgagee and its successors and assigns. Whenever Mortgagee is referred to herein, such reference shall also include the Holder of the Note, whether so expressed or not.
31. **Further Assurances.** Mortgagor will perform, execute, acknowledge and deliver every act, deed, conveyance, transfer and assurance necessary or proper, in the sole judgment of Mortgagee, for assuring, conveying, mortgaging, assigning and confirming to Mortgagee all property mortgaged hereby or property intended so to be, whether now owned or hereafter acquired by Mortgagor, and for creating, maintaining and preserving the lien and security interest created hereby on the PHA-Assisted Units. Upon any failure by Mortgagor to do so, Mortgagee may make, execute and record any and all such documents for and in the name of Mortgagor, and Mortgagor hereby irrevocably appoints Mortgagee and its agents as attorney-in-fact for that purpose. Mortgagor will reimburse Mortgagee for any sums expended by Mortgagee in making, executing and recording such documents including attorneys' fees and court costs.
32. **Indemnification.** In addition to all other indemnities in favor of Mortgagee specifically provided in this Mortgage, Mortgagor shall indemnify Mortgagee and save Mortgagee harmless from and against any and all loss, cost, damage, claim, liability or expense ("Loss") incurred by Mortgagee in connection with any and all claims, demands, actions, notices, liens, suits, causes of action, complaints, citations and legal and administrative proceedings ("Claims") in connection with the Loan excluding, however, (1) any Loss arising out of Mortgagee's gross negligence or willful misconduct in connection with the Loan following Mortgagee's acquisition of title to or control of the PHA-Assisted Units, and (2) excluding any Loss resulting from any action of Mortgagee under the Regulatory Agreement.
33. **Security Agreement.** This Mortgage shall be construed as a "security agreement" within the meaning of and shall create a security interest under the Uniform Commercial Code as adopted by the State of Illinois with respect to any part of the PHA-Assisted Units which constitutes fixtures or personal property. Mortgagee shall have all the rights with respect to such fixtures or personal property afforded to it by said Uniform Commercial Code in addition to, but not in limitation of, the other rights afforded

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Mortgagee by this Mortgage or any other agreement. Upon the recording hereof, this Mortgage shall constitute a financing statement under the Uniform Commercial Code. A separate filing of a financing statement under the Uniform Commercial Code shall be made by the Mortgagee.

34. **No Merger.** It being the desire and intention of the parties hereto that this Mortgage and the lien thereof do not merge in fee simple title, it is hereby understood and agreed that should Mortgagee acquire any additional or other interests in or to the PHA-Assisted Units or the ownership thereof, then, unless a contrary interest is manifested by Mortgagee, as evidenced by an appropriate document duly recorded, this Mortgage and the lien thereof shall not merge in the fee simple title, toward the end that this Mortgage may be foreclosed as if owned by a stranger to the fee simple title.

35. **Protective Advances; Maximum Amount of Indebtedness.** All advances, disbursements and expenditures made by Mortgagee before and during a foreclosure, and before and after judgment of foreclosure, and at any time prior to sale, and, where applicable, after sale and during the pendency of any related proceedings, for the following purposes, in addition to those otherwise authorized by this Mortgage or by the Act collectively "Protective Advances"), shall have the benefit of all applicable provisions of the Act, including those provisions of the Act hereinbelow referred to:

(a) all advances by Mortgagee in accordance with the terms of this Mortgage to: (i) preserve or maintain, repair, restore or rebuild the improvements upon the PHA-Assisted Units; (ii) preserve the lien of this Mortgage or the priority thereof; or (iii) enforce this Mortgage, as referred to in Subsection (b)(5) of Section 5/15-1302 of the Act;

(b) payments by Mortgagee of: (i) when due, installments of principal, interest or other obligations in accordance with the terms of this Mortgage or other prior lien or encumbrance; (ii) when due, installments of real estate taxes and assessments, general and special and all other taxes and assessments of any kind or nature whatsoever which are assessed or imposed upon the PHA-Assisted Units or any part thereof; (iii) other obligations authorized by this Mortgage; or (iv) with court approval, any other amounts in connection with other liens, encumbrances or interests reasonably necessary to preserve the status of title, as referred to in Section 5/15-1505 of the Act;

(c) advances by Mortgagee in settlement or compromise of any claims asserted by claimants under or any other prior liens;

(d) attorneys' fees and other costs incurred: (i) in connection with the foreclosure of this Mortgage as referred to in Sections 5/15-1504(d)(2) and 5/15-1510 of the Act; (ii) in connection with any action, suit or proceeding brought by or against Mortgagee for the enforcement of this Mortgage or arising from the interest of Mortgagee hereunder; or (iii) in the preparation for the commencement or defense of any such foreclosure or other action;

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(e) Mortgagee's fees and costs, including attorneys' fees, arising between the entry of judgment of foreclosure and the confirmation hearing as referred to in Subsection (b)(1) of Section 5/15-1508 of the Act;

(f) advances of any amount required to make up a deficiency in deposits for installments of taxes and assessments and insurance premiums as may be authorized by this Mortgage;

(g) expenses deductible from proceeds of sale as referred to in Subsections (a) and (b) of Section 5/15-1512 of the Act; and

(h) expenses incurred and expenditures made by Mortgagee for any one or more of the following: (i) if any interest in the PHA-Assisted Units is a leasehold estate under a lease or sublease, rentals or other payments required to be made by the lessee under the terms of the lease or sublease; (ii) premiums for casualty and liability insurance paid by Mortgagee whether or not Mortgagee or a receiver is in possession, if reasonably required, in reasonable amounts, and all renewals thereof, without regard to the limitation to maintaining of existing insurance in effect at the time any receiver or mortgagee takes possession of the PHA-Assisted Units imposed by Subsection (c)(1) of Section 5/15-1704 of the Act; (iii) repair or restoration of damage or destruction in excess of available insurance proceeds or condemnation awards; (iv) payments required or deemed by Mortgagee to be for the benefit of the PHA-Assisted Units or required to be made by the owner of the PHA-Assisted Units under any grant or declaration of easement, easement agreement, agreement with any adjoining land owners or instruments creating covenants or restrictions for the benefit of or affecting the PHA-Assisted Units; and (v) pursuant to any lease or other agreement for occupancy of the PHA-Assisted Units, All Protective Advances shall be so much additional indebtedness secured by this Mortgage, and shall become immediately due and payable without notice and with interest, if any, thereon from the date of the advance until paid at the rate of interest payable after default under the terms of the Note.

This Mortgage shall be a lien for all Protective Advances as to subsequent purchasers and judgment creditors from the time this Mortgage is recorded pursuant to Subsection (b)(1) of Section 5/15-1302 of the Act.

All Protective Advances shall, except to the extent, if any, that any of the same is clearly contrary to or inconsistent with the provisions of the Act, apply to and be included in:

- (1) the determination of the amount of indebtedness secured by this Mortgage at any time;
- (2) the indebtedness found due and owing to Mortgagee in the judgment of foreclosure and any subsequent supplemental judgments, orders, adjudications or findings by the court of any additional indebtedness becoming due after such entry of judgment, it being agreed that in any foreclosure judgment, the court may reserve jurisdiction for such purpose;

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(3) if the right of redemption has not been waived by this Mortgage, computation of amount required to redeem, pursuant to Subsections (d)(2) and (e) of Section 5/15-1603 of the Act;

(4) the determination of amounts deductible from sale proceeds pursuant to Section 5/15-1512 of the Act;

(5) the application of income in the hands of any receiver or mortgagee in possession; and

(6) the computation of any deficiency judgment pursuant to Subsections (b)(2) and (e) of Sections 5/15-1508 and Section 5/15-1511 of the Act.

The maximum amount of indebtedness secured by this Mortgage shall be One Million, Four Hundred Ninety-Eight, Six Hundred Six & No/100 (\$1,498,606.00) plus interest under the Note, plus any disbursements for the payment of taxes and insurance on the PHA-Assisted Units and any other sums advanced in accordance with the terms hereof or any of the other Loan Documents to protect the security of this Mortgage or any of the other Loan Documents plus interest thereon.

All obligations of the Mortgagor hereunder shall terminate upon the discharge of all indebtedness secured by this Mortgage. Upon that discharge Mortgagee shall execute, record and deliver to Mortgagor in favor of Mortgagee a Release of this Mortgage.

36. Non-Recourse Loan. Subject to the terms contained in the next two (2) succeeding paragraphs, the indebtedness secured hereunder shall be non-recourse and in the event of default hereunder, Mortgagee's sole source of satisfaction of repayment of the amount due to Mortgagee hereunder or under any of the Loan Documents shall be limited to Mortgagee's rights with respect to the collateral pledged and assigned hereunder or under the Assignment of Rents and Leases, or any of the other Loan Documents.

Nothing herein or in any of the Loan Documents shall limit the rights of Mortgagee, following any of the events hereinafter described to take any action as may be necessary or desirable to pursue Mortgagor for any and all Losses incurred by Mortgagee arising from: (i) a material misrepresentation, fraud made in writing or misappropriation of funds by Mortgagor; (ii) intentional or material waste to the PHA-Assisted Units; (iii) use of proceeds of Loan for costs other than for the purchase of the PHA-Assisted Units; (iv) the occurrence of a Prohibited Transfer without Mortgagee's prior written consent, to the extent such Prohibited Transfer results from the intentional, willful, voluntary and/or negligent acts or omissions of Mortgagor, and/or owner(s), if any; (v) the occurrence of any uninsured casualty to the PHA-Assisted Units or other collateral or security provided under any of the Loan Documents for which there has been a failure to maintain insurance coverage as required by the terms and provisions of the Loan Documents; or (vi) the misappropriation or misapplication of insurance proceeds or condemnation

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awards relating to the PHA-Assisted Units or other collateral or security provided under any of the Loan Documents.

Mortgagee waives any and all right to seek or demand any personal deficiency judgment against Mortgagor, in conjunction with a foreclosure proceeding, under or by reason of any of the non-recourse monetary obligations of Mortgagor; provided, however, that the foregoing shall not limit or affect Mortgagee's right to sue or otherwise seek recourse against Mortgagor, and/or Owner(s), if any, in any separate action or proceeding for all Losses incurred by Mortgagee arising from any of the matters described in the foregoing paragraphs of this paragraph 36.

The entire principal and interest due hereunder shall be forgiven in the event of a conveyance of the PHA-Assisted Units to the Mortgagee, as provided in the Regulatory Agreement.

37. **Subordination**. This Mortgage is subject and subordinate to the Permitted Encumbrances described in Exhibit C, attached to and made a part of this Mortgage.

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IN WITNESS WHEREOF, Mortgagor has caused these presents to be signed and attested to on the day and year first above written.

MORTGAGOR:

Chicago Metropolitan Housing Development Corporation,
an Illinois not-for-profit corporation

By: 

Its: Executive Director

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STATE OF ILLINOIS)
)
 COUNTY OF COOK) SS.

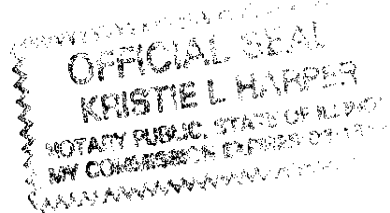
I, Kristie L. Harper, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Rafael Leon, the Executive Director of Chicago Metropolitan Housing Development Corporation, an Illinois not for profit corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Executive Director, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 24 day of December, 2003.

Kristie L. Harper

My Commission Expires:

3/18/06



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EXHIBIT A

LEGAL DESCRIPTION

Legal Description

PARCEL 1:

UNIT NOS. 707, 711, 715, 765, 805, 807, 815, 857, 863, 865, 907, 915, 957, 965, 1007 AND 1015 AND PARKING SPACES P78 AND P181, IN THE DOMAIN CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: PART OF LOTS 21 THROUGH 26 IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO; PART OF LOTS 1 THROUGH 4 IN ELSTON'S ADDITION TO CHICAGO, AND PART OF LOT 5 IN ASSESSORS PLAT OF LOTS 5 AND 6 IN BLOCK 95 OF ELSTON'S ADDITION TO CHICAGO ALL LOCATED IN THE WEST ½ OF THE SOUTHWEST ¼ OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS, MORE PARTICULARLY DESCRIBED ON THE SURVEY ATTACHED AS EXHIBIT "A" TO THE DECLARATION OF CONDOMINIUM RECORDED JULY 2, 2002 AS DOCUMENT NO. 0020733519, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 2:

UNITS GU 61 THROUGH GU70, BOTH INCLUSIVE, AND GU75 THROUGH GU78, BOTH INCLUSIVE IN THE RIVER VILLAGE LOFTS CONDOMINIUM AS DELINEATED ON A SURVEY OF THE FOLLOWING DESCRIBED REAL ESTATE: PART OF A TRACT OF LAND BEING THAT PART OF LOTS 21, 22 AND 23, IN BLOCK 96 IN ELSTON'S ADDITION TO CHICAGO, A SUBDIVISION IN THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 39 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS WHICH SURVEY IS ATTACHED AS EXHIBIT "D" TO THE DECLARATION OF CONDOMINIUM RECORDED OCTOBER 15, 2002 AS DOCUMENT 0021128852 AND AS AMENDED FROM TIME TO TIME, TOGETHER WITH ITS UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS, ALL IN COOK COUNTY, ILLINOIS.

PARCEL 3:

The exclusive right to the use of Storage Space Numbers 193, 195, 199, 203 through 208, both inclusive, 218 through 222, both inclusive, 257 and 258, limited common elements, as delineated on the survey attached to the Declaration aforesaid recorded as Document No. 0020733519.

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PARCEL 4:

Non-exclusive easements for the benefit of Parcels 1 and 2 as created by Declaration of Covenants, Conditions, Restrictions and Easements and Operating Agreement recorded March 12, 2001 as Document 0010192877, and re-recorded on April 16, 2001 as Document 0010304717, and as amended and restated by the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements and Operating Agreement, dated October 9, 2002 and recorded October 15, 2002 as Document 21128849 for the following purposes:

- A. Ingress and egress and use
- B. Structural support
- C. Use of facilities in the catalog building and garage building
- D. Maintenance of catalog building easement facilities and garage easement facilities
- E. Maintenance and use of easement facilities
- F. Support, enclosure, use and maintenance of catalog building and garage building common walls, ceilings and floors
- G. Water main connection, sanitary sewer main connection and gas main connection
- H. Utilities
- I. Permitting existence of encroachments in catalog building and garage building
- J. Exterior maintenance
- K. Exterior Signage
- L. Dumpsters
- M. Owned facilities
- N. Shared facilities, and
- O. Overhanging balconies;

over the land described in exhibits attached thereto.

Addresses of Property: Units 707, 711, 715, 765, 805, 807, 815, 817, 863, 865, 907, 915, 957, 965, 1007, 1015, P-078 and P-181, 900 N. Kingsbury, Chicago, Illinois 60610 and

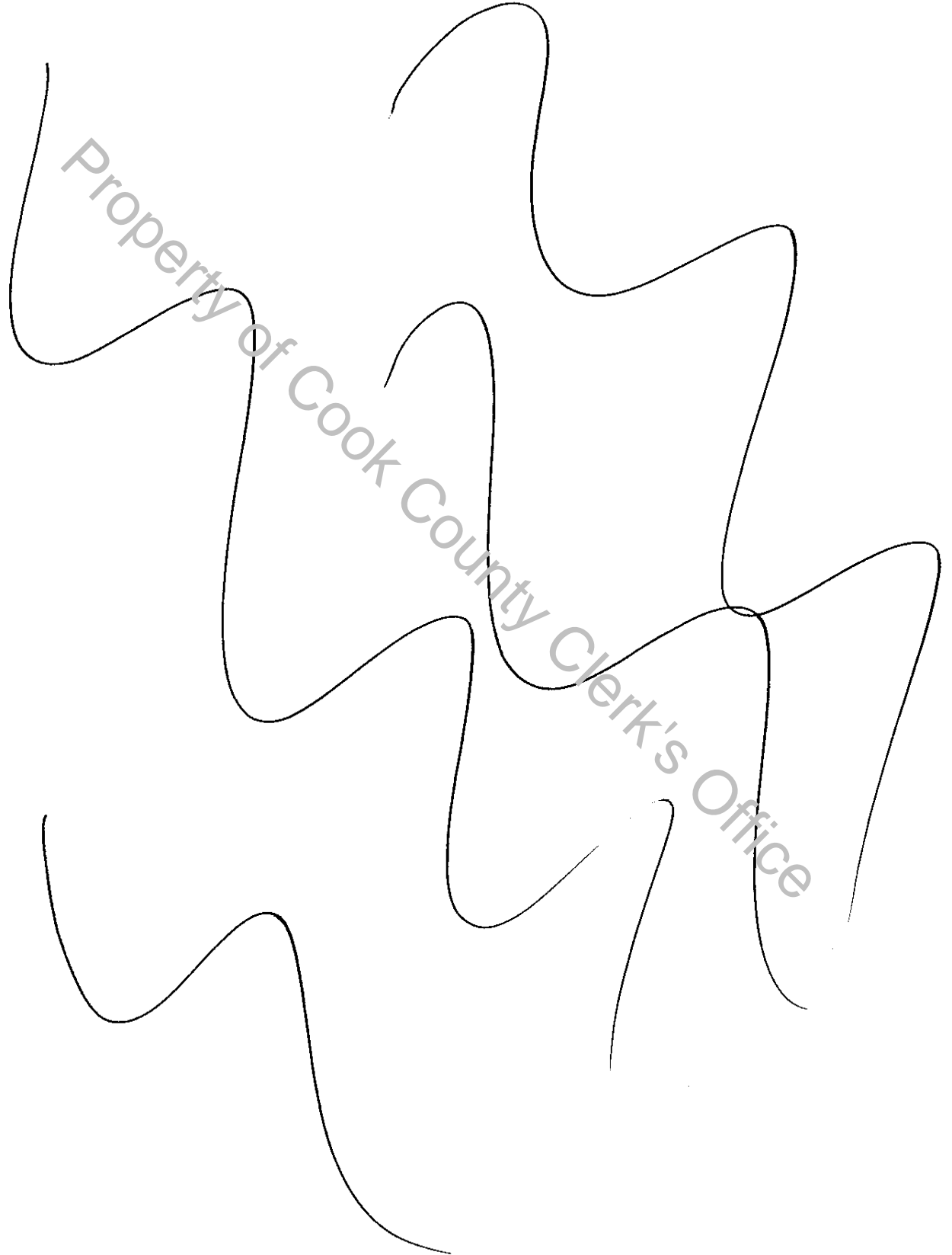
GU61 through GU70, both inclusive, and GU75 through GU78, both inclusive, 950 N. Kingsbury, Chicago, Illinois 60610

Permanent Index Numbers: Part of 17-04-300-022, 17-04-300-026, 17-04-300-030, 17-04-300-034, and part of 17-04-300-021

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EXHIBIT B

NOTE



UNOFFICIAL COPY**COPY**DOMAIN LOFTS NOTE

\$1,498,606

Chicago, Illinois
December 31st, 2003

FOR VALUE RECEIVED, Chicago Metropolitan Housing Development Corporation, an Illinois not-for-profit corporation, ("Maker"), hereby promises to pay to the Chicago Housing Authority, an Illinois municipal corporation ("Holder"), at 626 West Jackson Street, Chicago, Illinois 60661, Attention: Chief Executive Officer, or at such other place as Holder may appoint, One Million Four Hundred Ninety-Eight Thousand Six Hundred Six (\$1,498,606), together with interest accrued thereon as herein provided

1. **Definitions.** Maker agrees that, for purposes of this Note, the following terms shall have the respective meanings ascribed thereto as follows:

(a) "Business Day" shall mean a day upon which banks in the City of Chicago are not authorized or required to remain closed and which is not a public holiday under the laws of the State of Illinois.

(b) "CHA" shall mean Chicago Housing Authority.

(c) "Dollars" shall mean lawful currency of the United States of America.

(d) "Interest Rate" 0% simple interest per annum. Interest Rate shall be at AFR, accruing (but not compounding) from the date of the initial disbursement after the Closing Date until payment of the outstanding principal amount, if any, of the PHA-Assisted Units, as defined in the Mortgage are not transferred to the Holder, for any reason, not later than the twentieth year (December 31st, 2023), except as more fully set forth in the Regulatory and Operating Agreement entered into between the Maker and Holder dated of even date herewith (the "Regulatory Agreement").

(e) "Maturity Date" shall mean December 31st, 2023.

(f) "Original Principal Amount" shall mean One Million Four Hundred Ninety-Eight Thousand Six Hundred Six and No/100 Dollars (\$1,498,606.00).

(g) "Outstanding Principal Balance" shall mean the aggregate of all sums advanced by Holder to and for the benefit of Maker hereunder and not repaid and any other sums due hereunder or under any of the Loan Documents (as defined in the Mortgage).

(h) "Payment Date" shall mean Maturity Date.

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2. Principal and Interest Payments.

(a) Interest shall accrue on the outstanding and unpaid amount of the Original Principal Amount at the Interest Rate. Any payments shall be applied first to payment of the accrued interest and next to the payment of principal.

(b) The entire Outstanding Principal Balance including all default interest shall be due and payable on the Maturity Date.

(c) All interest charged on this Note will be calculated on the basis of a year consisting of 360 days, comprised of 12 months of 30 days each; provided, however that for portions of the outstanding and unpaid Original Principal Balance which are outstanding for less than a full calendar month interest shall be calculated on the basis of a 360 day year and the actual number of days elapsed in said month.

3. Security for Note. The payment of the indebtedness evidenced by this Note is secured by, among other things, the First Mortgage, Security Agreement and Financing Statement dated of even date herewith from Maker to Holder (the "Mortgage") and the Loan Documents (as defined in the Mortgage). In connection with the Mortgage, Maker has executed and delivered this Note in connection with the Loan by Holder to Maker to be used for the financing by Maker of the premises described on Exhibit A to the Mortgage (the "PHA-Assisted Units").

4. Late Charges. If any payment of principal or interest, if any, due hereunder, or any other charges due to Holder as required under this Note, shall not be paid on the date such payment is due, Maker shall pay Holder hereof as liquidated damages, and not as a penalty, an additional "late charge" of 8 percent of such delinquent payment or the maximum permitted by law, whichever is less, in order to defray the increased cost of collection occasioned by any such late payments. Further, any such delinquent payments (not including interest payments) shall bear interest from and after the date due at the lesser of the rate of 8 percent per annum or the maximum rate permitted by law until so paid.

5. Default and Acceleration. Upon Maker's failure to pay, when due, (including any applicable notice and/or cure periods) any amount due or any other amount due hereunder in accordance with the terms hereof, or upon Maker's failure to perform or observe any covenant, term or provision hereof on a timely basis as required hereunder (which failure to perform or observe (which shall not include any failure or event described in any of clauses (iii) through (xiii) of Section 10 of the Mortgage) remains unremedied for 30 days after notice thereof from Holder to Maker or as such period may be extended pursuant to the Mortgage; provided, however, that Holder shall not be precluded during any such periods from exercising any remedies available under any of the Loan Documents if its security becomes or is about to become materially jeopardized by any such failure, or upon the occurrence of a default or Event of Default under any of the other Loan Documents, then, Maker shall be deemed in default hereunder and, at the option of Holder hereof, Holder may elect without notice to Maker

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to accelerate the maturity of this Note and upon such election the Outstanding Principal Balance, together with accrued interest, if any, thereon and any additional indebtedness due by Maker to Holder under any of the Loan Documents, shall become at once due and payable at the place of payment as aforesaid, and Holder may proceed to exercise any rights and remedies available to Holder under any of the Loan Documents and to exercise any other rights and remedies against Maker or with respect to this Note which Holder may have under the Loan Documents and at law, in equity or otherwise; provided, however, that upon the occurrence of an Event of Default under Section 10 (vii) or (viii) of the Mortgage, the entire unpaid principal of and interest, if any, on this Note shall, without any declaration, notice or other action on the part of Holder, be immediately due and payable, anything in this Note or the Loan Documents to the contrary notwithstanding. None of the rights or remedies of Holder hereunder or under any of the Loan Documents are to be deemed waived or affected by any failure to exercise same. All remedies conferred upon Holder by the Mortgage, Loan Documents or any other instrument, document or agreement to which Maker is a party or under which Maker is bound, shall be cumulative and not exclusive; any such remedies may be exercised singularly, concurrently or consecutively at Holder's option.

6. **Notices.** Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested.

IF TO HOLDER: Chicago Housing Authority
626 West Jackson Street,
Chicago, Illinois 60661
Attention: Chief Executive Officer

WITH COPIES TO: Chicago Housing Authority
200 West Adams Street, Suite 2100
Chicago, Illinois 60606
Attention: Office of the General Counsel

IF TO MAKER: Chicago Metropolitan Housing Development
Corporation
200 West Adams Street, Suite 2103
Chicago, Illinois 60606
Attention: Rafael Leon,
Executive Director

WITH COPIES TO: Laura E. Tilly, Esq.
Miner Barnhill & Galland, P.C.
14 West Erie
Chicago, Illinois 60610

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Such addresses may be changed by notice to the other parties given in the same manner as above provided. Any notice, demand or request sent pursuant to either clause (a) or (b) above shall be deemed received upon such personal service or upon dispatch by electronic means with confirmation of receipt. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the Business Day immediately following deposit with the overnight courier and, if sent pursuant to clause (d) above, shall be deemed received three Business Days following deposit in the mail.

7. Miscellaneous.

(a) Provided that Holder shall prevail in such litigation, Maker will pay all costs and expenses of collection, including reasonable attorneys' fees, incurred or paid by Holder in enforcing this Note or the obligations evidenced by the Loan Documents to the extent permitted by law.

(b) Maker hereby waives presentment, demand, notice, protest and all other demands or notices in connection with the delivery, acceptance, endorsement, performance, default or enforcement of this Note.

(c) Holder is expressly authorized to apply payments made under this Note as Holder may elect against any and all amounts, or portions thereof, then due and payable to Holder hereunder.

(d) No delay or omission on the part of Holder in exercising any right hereunder shall operate as a waiver of such right or of any other right of Holder, nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion.

(e) The parties hereto intend and believe that each provision in this Note comports with all applicable law. However, if any provision in this Note is found by a court of law to be in violation of any applicable law, and if such court should declare any provision of this Note to be unlawful, void or unenforceable as written, then it is the intent of all parties hereto that such provision shall be given full force and effect to the fullest possible extent that is legal, valid and enforceable, that the remainder of this Note shall be construed as if such unlawful, void or unenforceable provision were not contained herein, and that the rights, obligations and interests of Maker and Holder under the remainder of this Note shall continue in full force and effect.

(f) MAKER HEREBY CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN THE COUNTY OF COOK, STATE OF ILLINOIS. MAKER HEREBY WAIVES ANY OBJECTION BASED UPON FORUM NON CONVENIENS, AND ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER. NOTHING IN THIS PARAGRAPH SHALL AFFECT THE RIGHT OF HOLDER TO SERVE LEGAL PROCESS IN ANY MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF HOLDER TO BRING ANY ACTION OR PROCEEDING

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AGAINST MAKER OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION.

(g) This Note shall be construed and enforced according to the internal laws of the State of Illinois without regard to its conflict of laws principles.

(h) In any case where the date of payment of interest, if any, on or principal of this Note shall not be a Business Day, then payment of such interest or principal need not be made on such date but may be made on the next succeeding Business Day and, if interest is charged on this Note, this Note shall continue to bear interest until such date of payment.

8. Non-Recourse Obligation. Subject to the terms contained in the next two (2) succeeding paragraphs, the indebtedness evidenced by this Note shall be non-recourse and in the event of default hereunder, Holder's sole source of satisfaction of repayment of the amounts due to Holder hereunder or under any of the Loan documents shall be limited to Holder's rights with respect to the collateral pledged and assigned under the Mortgage, the Assignment of Rents, or any of the other Loan Documents.

Notwithstanding the immediately preceding paragraph, nothing herein or in any of the Loan Documents shall limit the rights of Holder, following any of the events hereinafter described, to take any action as may be necessary or desirable to pursue Maker, for any and all Losses incurred by Holder arising from (i) a material misrepresentation, fraud made in writing or misappropriation of funds by Maker, (ii) intentional or material waste to the PHA-Assisted Units; (iii) use of proceeds of the Loan for costs other than for the purchase of the PHA-Assisted Units; (iv) the occurrence of a Prohibited Transfer (as defined in the Mortgage) without Holder's prior written consent, to the extent such Prohibited Transfer results from the intentional, willful, voluntary and/or negligent acts or omissions of Maker; (v) the occurrence of any uninsured casualty to the PHA-Assisted Units or other collateral or security provided under any of the Loan Documents for which there has been a failure to maintain insurance coverage as required by the terms and provisions of the Loan Documents; or (vi) the misappropriation or misapplication of insurance proceeds or condemnation awards relating to the PHA-Assisted Units or other collateral or security provided under any of the Loan Documents.

Holder waives any and all right to seek or demand any personal deficiency judgment against Maker, in conjunction with a foreclosure proceeding, under or by reason of any of the non-recourse monetary obligations of Maker; provided, however, that the foregoing shall not limit or affect Holder's right to sue or otherwise seek recourse against Maker in any separate action or proceeding for all Losses, as defined in the Loan, incurred by Holder arising from any of the matters described in the two immediately preceding paragraphs hereof.

The entire principal and interest due hereunder shall be forgiven in the

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event of a conveyance of the PHA-Assisted Units to the Mortgagee, as provided in the Regulatory Agreement.

THE TERMS AND PROVISIONS OF THE LOAN DOCUMENTS ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THIS NOTE.


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IN WITNESS WHEREOF, Maker has caused this Note to be duly executed on the date first above written.

CHICAGO METROPOLITAN HOUSING DEVELOPMENT CORPORATION,
an Illinois not-for-profit corporation

By: 
Rafael Leon

Its: Executive Officer

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EXHIBIT C

PERMITTED ENCUMBRANCES

1. General real estate taxes not yet due and payable;
2. Special taxes or assessments and unconfirmed special assessments;
3. Applicable zoning and building laws and ordinances;
4. Public and quasi-public utility easements, if any;
5. Plats of dedication and plats of subdivision and covenants thereon;
6. Acts done or suffered by or judgments against Purchaser, or anyone claiming under the Purchaser;
7. Encroachments, if any;
8. All rights, easements, restrictions, covenants, conditions and reservations of record or contained in the Declaration of Condominium Ownership and of Easements, Restrictions, Covenants and By-Laws for Domain Condominium Association ("Domain Declaration") and a reservation by the Domain Condominium Association ("Association") to itself and its successors and assigns, for the benefit of all unit owners at the condominium, of the rights and easements set forth in the Declaration;
9. Installments due after the date of Closing for assessments established under the Domain Declaration;
10. Terms, provisions and conditions of the Domain Declaration, including all amendments and exhibits thereto;
11. Rights of City of Chicago to maintain facilities located on the land as disclosed by map from the City of Chicago Water and Sewer Department dated October 17, 1967;
12. All rights, easements, restrictions, covenants, conditions and reservations of record or contained in the Declaration of Condominium Pursuant to the Condominium Property Act for River Village Lofts Condominiums, recorded October 15, 2002 as Document No. 0021128852 ("River Village Lofts Declaration") and a reservation by the River Village Lofts Condominium Association ("RV Association") to itself and its successors and assigns, for the benefit of all unit owners at the condominium, of the rights and easements set forth in the River Village Lofts Declaration;
13. Terms, provisions and conditions of the River Village Lofts Declaration, including all amendments and exhibits thereto;
14. Installments due after the date of Closing for assessments established under the River Village Lofts Declaration;
15. Provisions of the Condominium Property Act of Illinois ("Act");
16. Terms and conditions of a Redevelopment Agreement by and between the City of Chicago and Eport 600, L.L.C., Eport 600 Property Owner, L.L.C. and Eport 600 Riverwalk Owner, L.L.C.;
17. Terms, provisions, conditions and limitations set forth in the Declaration of Covenants, Conditions, Restrictions and Easements and Operating Agreement recorded March 12, 2001, as Document No. 0010192877, and rerecorded on April 16, 2001 as Document No. 0010304717, and as amended and restated by the Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements and Operating Agreement, dated October 9, 2002 and recorded October 15, 2002 as Document 21128849 made by and between Eport 600 Property Owner, L.L.C., Domain Owner, L.L.C., Domain Condominium Association, Eport 600 Riverwalk Owner, L.L.C., MW-CPAG Marina Holdings, L.L.C. and MW-CPAG Holdings, L.L.C. (the "Eport Declaration");
18. Covenants and Restrictions relating to use, density, open space restrictions; zoning control;

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- covenant of cooperation; covenant to complete; relationship to amended planned unit development; and building materials contained in the Declaration of Covenants, Conditions and Restrictions recorded October 15, 2002 as Document No. 0021128851;
19. Terms, provisions, conditions and limitations set forth in the covenant recorded October 15, 2002 as Document No. 0021128853 by River Village Lofts, LLC, relating to maintenance and repair of the common sewer lines located anywhere on the property from the point of connection to the sewer main in the public street shall be the responsibility of the owners of the 64 condominium units being constructed on the land;
 20. Terms, provisions, conditions and limitations set forth in the Tax Parcel Division and Reproration Agreement made by and between MW-CPAG Holdings, L.L.C., Eport 600 Property Owner, L.L.C., Eport 600 Riverwalk Owner, L.L.C., MW-CPAG Marina Holdings, L.L.C., and River Village Lofts, LLC, a copy of which was recorded August 15, 2002 as Document No. 0021128855;
 21. Terms, provisions, conditions and limitations set forth in the Regulatory Agreement made by and between Purchaser and the City of Chicago Department of Housing dated as of _____, 2003 a copy of which was recorded _____ as Document No. _____; and
 22. Survey matters as disclosed by surveys prepared by B.H. Suhr & Company dated June 21, 2002 Order No. 02-31; and dated April 12, 2002, Order No. 02-261-A.

PROPERTY OF COOK COUNTY CLERK'S OFFICE