

# UNOFFICIAL COPY

This document was prepared  
by and after recording, return  
to: Thomas M. Jenkins  
Illinois Housing Development  
Authority  
401 N. Michigan Avenue, Ste. 900  
Chicago, Illinois 60611



Doc#: 0435734001  
Eugene "Gene" Moore Fee: \$88.50  
Cook County Recorder of Deeds  
Date: 12/22/2004 09:23 AM Pg: 1 of 33

IHDA Loan No. AMB-2030-07  
IHDA Form No. AI-5

## REGULATORY AGREEMENT

*8247574, 639 P1 (2)*

**THIS REGULATORY AGREEMENT** (this "Agreement") is made and entered into as of this 1st day of December, 2004, by and between **PARKWAYS PRESERVATION, L.P.**, a Delaware limited partnership ("Borrower") and the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** ("IHDA"), a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 *et seq.*, as amended from time to time (the "Act"), whose principal office is located at 401 North Michigan Avenue, Suite 900, Chicago, Illinois 60611.

### R E C I T A L S:

**WHEREAS**, Borrower is the owner of certain real estate commonly known as The Parkways and located in Chicago, Illinois, legally described on **Exhibit A** attached to and made a part of this Agreement, and all easements and similar rights and privileges appurtenant to and in favor of such real estate (such real estate, easements, rights and privileges are collectively referred to in this Agreement as the "Real Estate"); and

**WHEREAS**, AIMCO Parkways GP, LLC, a Delaware limited liability company is the general partner of Mortgagor ("General Partner"); and

**WHEREAS**, Borrower desires to borrow an amount not to exceed Twenty-Four Million Eight Hundred Fifteen Thousand and No/100 Dollars (\$24,815,000.00) from IHDA (the "Loan") to rehabilitate a multifamily housing development containing Four Hundred Forty-Six (446) Units, which is located on the Real Estate; the Real Estate and the improvements constructed on it are collectively referred to in this Agreement as the "Development"; and

**WHEREAS**, the Loan is evidenced, secured and governed by, among other things: (a) the Conditional Commitment Letter from IHDA to or for the benefit of Borrower dated November 10, 2004 (the "Commitment"), (b) the Loan Agreement of even date herewith

# UNOFFICIAL COPY

among Borrower and IHDA governing the disbursement of the Loan proceeds (the "Loan Agreement") (c) the Note of even date herewith executed by Borrower evidencing Borrower's indebtedness under the Loan (the "Note"), (d) the Mortgage, Security Agreement and Assignment of Rents and Leases of even date herewith executed by Borrower in favor of IHDA, giving IHDA a first mortgage lien on the Development (the "Mortgage"), (e) this Agreement, (f) the Environmental Indemnity of even date herewith executed by Borrower and General Partner, as indemnitor, and delivered to IHDA, as indemnitee (the "Environmental Indemnity"), (g) the Assignment of Contracts, Licenses and Permits of even date herewith, executed by Borrower, as assignor, in favor of IHDA, as assignee (the "Collateral Assignment of Contracts") and (h) the Guaranty of Completion (the "Guaranty") of even date herewith, executed by NHP A&R Services, Inc., (the "Guarantor") guaranteeing the completion of the rehabilitation of the Development. The Mortgage, the Commitment, the Loan Agreement, the Note, this Agreement, the Environmental Indemnity, the UCCs, the Collateral Assignment of Contracts, the Guaranty and all other documents executed by Borrower that evidence, govern or secure the Loan are sometimes collectively referred to in this Agreement as the "Loan Documents;" the Loan Documents are incorporated in this Agreement by this reference; and

**WHEREAS**, pursuant to an agreement between IHDA and Ambac Assurance Corporation ("AMBAC"), AMBAC will guarantee payment of principal and interest due under the Loan on a timely or accelerated basis; and

**WHEREAS**, as an inducement to IHDA to make the Loan, Borrower has agreed to enter into this Agreement and consents to be regulated and restricted by IHDA as provided in this Agreement, the Act and the Rules.

**NOW, THEREFORE**, for and in consideration of the mutual covenants and conditions set forth in this Agreement, the parties hereto agree as follows:

1. **Recitals**. The foregoing recitals are made a part of this Agreement.

2. **Definitions**. The following terms used in this Agreement shall have the following definitions:

a. "Administrative Expenses" shall mean expenses of managing and administering the Development, including, but not limited, to, expenses for office services and supplies; postage and telephone; legal, accounting, advertising and auditing services; management fees; the management agent's

# UNOFFICIAL COPY

fidelity bond fees; and salaries and payroll expenses for any management agent's on-site employees. Administrative Expenses shall not include any expenses not directly related to the Development; these excluded expenses include, but are not limited to, costs of (i) accounting work and attorneys' fees and other legal expenses in connection with acquiring the Development or any property made a part of it, (ii) defending or prosecuting litigation by or against IHDA or for services relating to bankruptcy or similar debtor protection laws and (iii) forming, syndicating, registering and maintaining any person or entity, (iv) any fees paid to Borrower for managing the Development, (v) repayment of loans or advances made by Borrower or its principals to the Development and (vi) any other expenses not approved by IHDA as Administrative Expenses.

b. "Calendar Year" shall mean each calendar year that falls in whole or in part during the term of the Loan. Borrower agrees that its fiscal year shall be a Calendar year.

c. "Cost of the Development" shall mean costs and expenses of the Development, as approved by IHDA, including, without limitation, acquisition costs, rehabilitation costs, job overhead, a developer's fee, architectural, engineering, legal and accounting costs, organizational expenses, the fees payable to IHDA pursuant to the Commitment, interest paid during rehabilitation and the cost of landscaping, whether or not such costs have been paid in cash or in a form other than cash.

d. "Default" shall mean a default under any Loan Document, including this Agreement, subject to applicable grace or cure periods, if any.

e. "Development" shall mean the Real Estate and all of the improvements constructed on it.

f. "Development Bank Account" shall mean that account, established in the name of Borrower in a bank or savings and loan institution in the State of Illinois whose deposits are either insured by the Federal Deposit Insurance Corporation or invested in investments permitted by **Paragraph 6.j** hereof, into which all Development Funds received by Borrower or its agents are to be deposited.

g. "Development Funds" shall mean all cash, rent subsidies, gross Development income, bank accounts,

# UNOFFICIAL COPY

certificates of deposit, trust funds, reserves, escrows, accounts receivable, and other similar assets of the Development, but excluding security deposits that, pursuant to contract or law, Borrower is, or may be, required to return to a Tenant.

**h.** "Distribution" shall mean any withdrawal or taking of Surplus Cash and/or Residual Receipts, including (i) segregation of amounts of Surplus Cash and/or Residual Receipts for subsequent withdrawal, for payment to or on behalf of the Borrower pursuant to IHDA's written authorization, (ii) any transfer of Development property to or on behalf of the Borrower and (iii) payment from Development funds of any obligation of Borrower or its principals.

**i.** "Equity" shall mean the amount of funds provided by Borrower for the acquisition and rehabilitation of the Development, which shall be equal to the difference between the total Cost of the Development, as approved by IHDA and the sum of the amount of the Loan plus the amount of any permitted subordinate financing.

**j.** "Final Closing Date" shall mean the date on which IHDA makes the final disbursement of the Loan proceeds.

**k.** "Initial Closing Date" shall mean the date on which IHDA makes the initial disbursement of the Loan proceeds.

**l.** "Maintenance Expenses" shall mean the expenses of maintaining the Development, including, but not limited to, security services, grounds maintenance services and supplies, elevator maintenance and repairs, painting and decorating, equipment repairs and minor or routine repairs to Units. Maintenance Expenses shall not include the costs of correcting rehabilitation or design defects or any other expenses not approved by IHDA as Maintenance Expenses.

**m.** "Operating Expenses" shall mean the costs of operating the Development, including, but not limited to, non-capital expenses for water and sewer, electricity, gas and other utilities not paid for directly by Tenants; janitorial services and supplies; exterminating; trash removal; elevator operation; real estate taxes; assessments; and insurance premiums. Operating Expenses shall not include capital expenditures; expenses of readying the Development for initial occupancy; repayment of indebtedness incurred by Borrower if such indebtedness has not been

# UNOFFICIAL COPY

approved by IHDA; reimbursements to Borrower for capital contributions; fidelity bond fees; or other loans, advances and expenses not approved by IHDA as Operating Expenses.

n. "Replacement Reserve Account" shall mean that certain account established pursuant to this Agreement, the funds in which are to be used to pay costs of replacing structural elements and mechanical equipment of the Development and such other expenses of the Development as IHDA, in its sole discretion, may approve.

o. "Residual Receipts" shall mean any Surplus Cash remaining as of the end of a Calendar Year after the deduction of (i) the amount of any repayment of any subordinate loans, if any, evidenced by a note to be repaid from Surplus Cash (which subordinated loans, if any, shall not be made without IHDA's written consent, in its sole discretion) and (ii) all Distributions.

p. "Rules" means the rules promulgated by IHDA under the Act.

q. "Surplus Cash" shall mean that part of the gross operating income (including rent insurance proceeds, but not including fire or other insurance proceeds, condemnation proceeds, loan proceeds and any contributions or advances from members or partners of Borrower) of the Development, determined on an accrual basis (a security deposit shall not be deemed part of the gross operating income unless and until it unequivocally becomes the property of Borrower, free of any claim of any person claiming as or through the Tenant who had deposited such security) remaining as of the end of each Calendar Year after payment of, or the reservation of funds for the payment of, the following (but only to the extent payable from such gross operating income):

i. Operating Expenses, Maintenance Expenses and Administrative Expenses;

ii. All other costs, whether or not capitalized, pertaining to the operation of the Development during such Calendar Year, including, but not limited to, reasonable costs of renting, managing, repairing, maintaining and improving the Development;

iii. All losses on any investment of funds deposited in any reserve account;

# UNOFFICIAL COPY

iv. All sums required to be deposited during such Calendar Year in the Replacement Reserve Account or in any other reserve account of the Development (other than the Residual Receipts Account), whether or not in fact deposited;

v. All sums due, whether or not currently required to be paid during such Calendar Year, under the terms of the Loan Documents;

vi. All sums due under the Sponsor Loan (as defined in the Commitment); and

vii. Any payments made for a deferred developer's fee approved by IHDA;

all as reflected on audited financial statements for the Development (including the income statements and balance sheets) for each such Calendar Year. The actual amount of Surplus Cash shall be determined by IHDA, in its sole discretion.

r. "Tax and Insurance Reserve Account" shall mean that certain reserve account established pursuant to this Agreement, the funds in which are to be used to pay real estate taxes on the Development and premiums for policies of insurance, including, without limitation, liability, fire, property damage and extended coverage that Borrower is required to maintain on the Development.

s. "Tenant" shall mean a person, family or unrelated persons leasing a Unit.

t. "Unit" shall mean a dwelling unit in the Development.

3. **Act and Regulations.** Borrower agrees that at all times their acts regarding the Development shall be in conformance with the Act, the Rules and the regulations, policies and procedures of IHDA, and any applicable amendments to them.

#### 4. **Accounts.**

a. **Replacement Reserve Account.** On or before the Initial Closing Date, Borrower shall establish a Replacement Reserve Account with IHDA into which shall be deposited Four Hundred Forty-Six Thousand and No/100 Dollars (\$446,000.00); beginning on the first (1<sup>st</sup>) day of the second (2<sup>nd</sup>) full month following the Initial Closing Date and on the first

# UNOFFICIAL COPY

(1<sup>st</sup>) day of each month thereafter, Borrower shall make deposits into the Replacement Reserve Account in the amount of one-twelfth (1/12<sup>th</sup>) of Three Hundred Fifty and No/100 Dollars (\$350.00) per Unit per Calendar Year, or such other sum as IHDA shall, from time to time, specify.

**b. Residual Receipts Account.** Borrower shall establish and maintain, a residual receipts account (the "Residual Receipts Account") with IHDA into which it shall deposit all Residual Receipts within ten (10) business days of the determination by IHDA of the amount of Residual Receipts for the Calendar Year. The Residual Receipts Account at all times shall be held under the control of IHDA or its designee for the account of Borrower as security for repayment of the Loan. Disbursements from the Residual Receipts Account may be made only with the prior written approval of IHDA in accordance with then-current applicable IHDA policies. To the extent (i) any sums remain in the Residual Receipts Account at the end of each Calendar Year after the IHDA-approved determination of Surplus Cash for that Calendar Year and (ii) to the extent that Borrower has not made Distributions on a cumulative basis equal to the maximum permissible Distributions under **Paragraph 7** hereof, Borrower shall be entitled to receive such permissible Distributions from the Residual Receipts Account.

**c. Tax and Insurance Reserve Account.** On or before the Initial Closing Date, Borrower shall deposit with IHDA the sum of (i) Three Hundred Ten Thousand Three Hundred Sixty-Four and No/100 Dollars (\$310,364.00) for payment of real estate taxes on the Development for the year 2004 (payable in 2005), and (ii) Thirty-Three Thousand Seven Hundred Eighty-Two and No/100 Dollars (\$33,782.00) for payment of insurance policies for the year 2004, which IHDA shall deposit in the tax and insurance reserve account for the Development (the "Tax and Insurance Reserve Account"). Commencing on the first (1<sup>st</sup>) day of the second (2<sup>nd</sup>) month after the Initial Closing Date, Borrower shall pay to IHDA for deposit into the Tax and Insurance Reserve Account monthly payments in an amount sufficient so that (i) as of the first (1<sup>st</sup>) day of the month before each installment of real estate taxes is due, there shall be on deposit in the Tax and Insurance Reserve Account for real estate taxes an amount equal to one-half (1/2) of one hundred five percent (105%) of the real estate tax bill for the Development for the previous calendar year, or such other amount as IHDA shall determine, in its reasonable discretion; and (ii) as of the first (1<sup>st</sup>) day of the month before the insurance bill is due, there shall be on deposit in the Tax and

# UNOFFICIAL COPY

Insurance Reserve Account for insurance an amount equal to one hundred five percent (105%) of the insurance bill for the Development for the previous calendar year, or such other amount as IHDA shall determine, in its reasonable discretion. Notwithstanding the foregoing, Borrower shall not be required to make deposits or monthly payments into the Tax and Insurance Reserve Account for insurance premiums if Borrower provides evidence satisfactory to IHDA that Member, or its affiliate, AIMCO Properties, L.P., has in place a blanket insurance policy providing satisfactory coverage for all of the developments owned by Member, or its affiliate, AIMCO Properties, L.P., its affiliates and subsidiaries, including the Development, and provided to IHDA satisfactory evidence of payments of the premiums for such blanket insurance policy. In the event that IHDA has not been provided with satisfactory evidence of payment of such premiums by the Initial Closing Date, and consequently, Borrower deposits \$33,782 for insurance premiums into the Tax and Insurance Reserve Account, then upon Borrower providing to IHDA such satisfactory evidence of payment of such blanket premiums for general liability and property insurance, IHDA will release the \$33,782 to Borrower.

**d. Debt Service Reserve.** On or before the Initial Closing Date, Borrower shall establish a Debt Service Reserve Account with IHDA into which it shall deposit an amount equal to One Hundred Fifty-Nine Thousand One Hundred Fifty-Four (\$159,154), which IHDA shall hold as security for payment of the Loan. IHDA shall be entitled to draw upon the Debt Service Reserve at any time when Borrower is more than fifteen (15) days delinquent in payment of debt service on the Loan.

**e. Transition Reserve.** On or before the Initial Closing Date, Borrower shall deposit with IHDA an amount not to exceed Two Hundred Twenty-Five Thousand Four Hundred Seventy-Eight and No/100 Dollars (\$225,478.00) as a transition reserve (the "Transition Reserve"), which IHDA shall deposit into a Transition Reserve Account (the "Transition Reserve Account") for the Development. IHDA shall hold the Transition Reserve Account as an operating deficit reserve for the Development, and shall be entitled to draw on such funds at any time to pay operating deficits of the Development, as determined by IHDA in its sole discretion. Borrower shall replenish any amounts drawn from the Transition Reserve.

**f. Interest.** The Replacement Reserve Account, the Residual Receipts Account, the Debt Service Reserve Account



# UNOFFICIAL COPY

the Transition Reserve Account and the Tax and Insurance Reserve Account shall be held in IHDA's Administrative Fund; the funds in these accounts will be invested by IHDA in accordance with its then-current standard policies and practices. Earnings on the Administrative Fund are pooled and, subject to the terms of the Loan Documents, paid to Borrower in proportion to funds attributable to it, based on the actual earnings of the Administrative Fund.

**g. Release of Amounts in Accounts.** IHDA shall have the right, in its sole discretion, to approve each withdrawal of funds, prior to such withdrawal, from the Replacement Reserve Account, the Tax and Insurance Reserve Account, the Debt Service Reserve Account, the Residual Receipts Account, the Transition Reserve Account or any other fund or account established pursuant to this Agreement or in connection with the Loan. Approval of the annual operating budget for the Development shall constitute IHDA's approval of the ordinary Administrative Expenses, Operating Expenses and Maintenance Expenses of the Development, as set forth in that budget. Prior to the Final Closing Date, funds from the operation of the Development that are used to pay expenses of rehabilitating the Development shall not be considered to be Surplus Cash and such expenditures shall not count as a part of the permitted Distribution for that calendar year.

**5. Additional Borrower Covenants.** Borrower further agrees that:

**a.** It shall make all payments due under the Note, the Mortgage and the other Loan Documents;

**b.** It shall be a "single asset owner"; the only interest in real estate to which the Borrower shall hold legal title shall be the Development, and Borrower shall not be the fee owner of any other real estate, and shall not hold the beneficial interest in any land trust;

**c.** At least ninety (90) of the Units shall be occupied by Tenants whose family income is fifty percent (50%) or less of the median income of the metropolitan statistical area of Chicago (the "MSA") and three hundred fifty-one (351) of the Units shall be occupied by Tenants whose family income is sixty percent (60%) or less of the MSA, both as determined by the United States Department of Housing and Urban Development, with adjustments for household size;

# UNOFFICIAL COPY

d. It shall establish and maintain rental charges for the Units subject to the income restrictions set forth in **Paragraph 5.a** hereof not greater than those approved by IHDA; rents for each Unit shall not exceed thirty percent (30%) of the income for a Tenant earning the maximum income for such Unit;

e. In the advertising, marketing and rental of Units and in the selection of Tenants for such Units, Borrower shall abide by the terms and conditions of (i) the Affirmative Fair Housing Marketing Plan of Borrower previously approved by IHDA and by this reference made a part of this Agreement; (ii) the Tenant Selection Plan of Borrower previously approved by IHDA and by this reference made a part of this Agreement; and (iii) all other equal opportunity and fair housing requirements of applicable federal, state and local law;

f. In the management and operation of the Development, Borrower agrees to abide by the terms and conditions of (i) the Management Plan of Borrower or its agent previously approved by IHDA, and by this reference made a part this Agreement; (ii) the Management Agreement under which the Development is to be managed, previously approved by IHDA; (iii) the Marketing Plan of Borrower or its agent previously approved by IHDA; and (iv) the Marketing Agreement of Borrower or its agent previously approved by IHDA and by this reference made a part of this Agreement;

g. On forms approved by IHDA, Borrower shall obtain from each prospective Tenant prior to admission to the Development, a certification of income (the "Certification"), and at intervals required by IHDA, a recertification of income (the "Recertification") on forms approved by IHDA. Borrower shall submit such Certifications and Recertifications in the manner prescribed by IHDA;

h. In a manner prescribed by IHDA, Borrower shall obtain written evidence substantiating the information given on the Certifications and Recertifications and shall retain that evidence in its files for three (3) Calendar Years after the year to which such evidence of income pertains. Within thirty (30) days following the end of each Calendar Year, Borrower shall certify to IHDA that, at the time of such certification and during the preceding Calendar Year, Borrower was in compliance with the requirements of this **Paragraph 5**, or, if Borrower is not or has not been in compliance with such requirements, Borrower shall identify

# UNOFFICIAL COPY

the details of how it failed to comply and the corrective action it is taking or has taken;

i. Borrower shall require all Tenants to execute a lease in the form prescribed or approved by IHDA (the "Lease");

j. Borrower shall not permit the use of the Units for any purpose except residential use, or permit non-residential use of the Development greater or different than that originally approved by IHDA;

k. Borrower shall obtain all governmental approvals required by federal, state and local laws for its acquisition, ownership and operation of the Development; and

l. All of the parking spaces included in the Development shall be reserved for use exclusively by Development staff, Tenants and their guests.

**6. Acts Requiring IHDA Approval.** Borrower shall not, without the prior written approval of IHDA:

a. Assign, transfer, dispose of (other than obsolete or damaged property, so long as equivalent replacements are obtained) or encumber any real or personal property of the Development, including rents, or pay out any Development Funds, except for reasonable Operating Expenses, Administrative Expenses and Maintenance Expenses;

b. Remodel, add to, reconstruct or demolish any part of the Development or subtract from any real or personal property of the Development;

c. Engage in any other business or activity, including the operation of any other housing development, or incur any liability or obligation not in connection with the Development;

d. Initially rent any Unit for a period of less than one (1) year and thereafter for any period less than three (3) months or more than one (1) year;

e. Permit a Tenant to rent more than one (1) Unit at any given time;

f. Change the rental charge of the Units or any other service charges to the Tenants set or approved by IHDA;

# UNOFFICIAL COPY

**g.** Lease or sublease any non-residential facility in the Development, or amend or modify any such lease or sublease, in a manner that would result in a conflict of interest between any of the parties to such contracts and IHDA, its members, officers, employees, agents or members of their respective immediate families;

**h.** Require, as a condition of the occupancy or leasing of any Unit, any consideration or deposit other than the pre-payment of the first month's rent plus a security deposit in an amount not in excess of one (1) month's rent to guarantee the performance of the covenants of the Lease. Any funds collected as security deposits shall be kept separate and apart from all other funds of the Development in one or more trust accounts with one or more federally insured depositories located in Illinois, approved in writing by IHDA; the aggregate amount in such trust accounts shall at all times equal or exceed the aggregate of all outstanding obligations of Borrower under the Leases regarding security deposits. If interest is earned on such trust account, it shall be transferred, as earned, into the Development Bank Account, as set forth in **Paragraph 12**, below, unless otherwise required by federal, state or local law;

**i.** Incur any liability, direct or contingent, other than for current Operating Expenses, Administrative Expenses and Maintenance Expenses, other than the Loan; all liability for capital expenditures shall require IHDA's written approval;

**j.** Invest or deposit any funds from the Development in any property, real, personal or mixed, except obligations of, or fully guaranteed or secured as to principal by, the United States of America, any agency of its agencies or the State of Illinois, or deposit such funds in a depository not approved in writing by IHDA;

**k.** Enter into any contract or contracts for supervisory or managerial services, other than contracts approved by IHDA; or

**l.** Pay any compensation, including wages or salaries, or incur any obligations, to management staff or any officers, directors, stockholders, trustees, partners, beneficiaries under a trust or to any of their nominees, except reasonable compensation pursuant to contracts first approved by IHDA.

# UNOFFICIAL COPY

## 7. Distributions.

a. Borrower shall not make, receive or retain any Distribution except as permitted in this Agreement, and then only on the following conditions:

i. Any Distribution shall be made only after (x) IHDA receives and approves the audited financial statements of the Development for Calendar Year to which the Distribution relates; and (y) Borrower receives IHDA's written approval of the amount and nature of the Distribution in accordance with IHDA's guidelines, policies and the Rules;

ii. Any Distribution shall be limited in any one (1) Calendar Year to Surplus Cash, as calculated by IHDA, or assets having a fair market value, or some combination of both, that does not in the aggregate exceed Ten and Twenty-Four One Hundreds percent (10.24%) of Borrower's Equity ("Limited Distribution"). The Limited Distribution for any Calendar Year that is less than a full calendar year shall be prorated and limited on a per diem basis;

iii. The right to Limited Distributions shall cumulate from the Final Closing Date. To the extent that Borrower does not receive a Limited Distribution in any Calendar Year, it may be paid out of Surplus Cash or Residual Receipts, if any, available in subsequent years, but subject to all of the conditions and requirements relating to a Distribution with respect to the most recent Calendar Year; and

iv. No Distribution shall be made until after the final disbursement of Loan proceeds is made and until the Development's annual operating budget for the Calendar Year next following the one with respect to which the Limited Distribution amount has been calculated has been approved by IHDA. No Distribution shall be made to Borrower while there is a Default. No Distribution shall be made unless there has been compliance with all requirements for proper maintenance and operation of the Development, whether pursuant to notices of deficiencies from IHDA or otherwise.

b. So long as all of the preconditions to a Distribution identified in **Paragraph 7.a.iv** above have been fulfilled, then, at the time Borrower may or is entitled to

# UNOFFICIAL COPY

receive a Limited Distribution, Borrower may, with the approval of IHDA, make a Distribution to repay advances (in excess of amounts otherwise required under the terms of the Loan Documents) pursuant to the terms of the Sponsor Loan (as provided in the Commitment) that Borrower has made (other than Equity) to the Development's funds, with interest on such advances at the rate of nine percent (9%) per annum, compounded annually until repaid. Such payments shall be made only from Surplus Cash or Residual Receipts, but may be made from Surplus Cash or Residual Receipts even though they are in excess of the Limited Distribution. For so long as the Mortgage constitutes a lien on the Development, the right to repay advances set forth in this **Paragraph 7.b.** shall not be available to the maker of any other loan to Borrower for the Development or such lender's designee should either such maker or its designee become the owner of the Development by foreclosure, deed in lieu of foreclosure or otherwise.

**8. Borrower's Duties.** In addition to, but not by way of limiting, the other duties of Borrower set forth in this Agreement or any of the other Loan Documents, Borrower shall comply with the following:

**a. Maintenance.** Upon completion of the rehabilitation of the Development, Borrower shall maintain the Development, including the Units and the grounds and equipment appurtenant to it, in good physical condition and in a decent, safe and sanitary condition, and in a rentable and tenantable state of repair, as required by the Loan Documents.

**b. Management.** Borrower shall provide for the management of the Development in a manner satisfactory to IHDA. Any management contract entered into by or on behalf of Borrower involving the Development shall be in form and substance acceptable to IHDA. The management of the Development may not be subcontracted, and the managing agent may not be replaced without the prior written consent of IHDA.

**c. Costs of Services, Compensation, Wages, Etc.** Payment for services, supplies or materials shall not exceed the amounts ordinarily paid for such services, supplies or materials in the area where the services are rendered or the supplies or materials are furnished.

**d. Audit.** The Development and all equipment, buildings, plans, offices, apparatus, devices, books,

# UNOFFICIAL COPY

contracts, records, documents and other papers relating to it shall at all times be maintained in reasonable condition for proper inspection and audit, and shall be subject to examination, inspection and copying at any reasonable time, and from time to time, by IHDA or its agents or representatives.

**e. Books and Records.** The books and records of Borrower and of the operations of the Development shall be kept in accordance with the requirements of IHDA. Borrower shall allow IHDA, or its representatives or agents to inspect the Development at any reasonable time, and from time to time at any time during normal business hours, shall allow access to the records and books of account related to the operation of the Development, including any supporting or related vouchers or papers, kept by or on behalf of Borrower and their representatives or agents; such access shall include the right to make extracts or copies of them. In addition, upon request of IHDA, which may be made at any time and from time to time, Borrower shall deliver to IHDA true and complete copies of monthly operating statements, occupancy statements and marketing reports of the Development.

**f. Financial Statement.** Within one hundred twenty (120) days following the end of each Calendar Year, Borrower shall furnish to IHDA a complete audited financial statement report for the Development based upon an examination of the books and records of Borrower, prepared at Borrower's expense in accordance with generally accepted accounting principles and such other standards as IHDA may require, and certified to Borrower by an Illinois licensed certified public accountant, or other person acceptable to IHDA.

**g. Operating Budget.** Within ninety (90) days prior to the beginning of each Calendar Year, Borrower shall submit to IHDA, for its written approval, a complete annual operating budget for the Development, including rental charges for such Calendar Year, all in accordance with the requirements of IHDA.

**h. Furnishing Information.** At the request of IHDA, Borrower shall furnish such reports, projections and analyses as required pursuant to the Rules, policies and procedures of IHDA, as amended and supplemented from time to time, and shall give specific answers to questions upon which information is desired from time to time relative to the Development's condition, income, assets, liabilities, contracts and operation.

# UNOFFICIAL COPY

i. **Inspection.** Borrower shall allow IHDA to inspect the Development at any reasonable time, and from time to time.

9. **Non-Discrimination in Housing.**

a. Borrower shall not, in the selection of Tenants, in the provision of services or in any other matter relating to the rehabilitation or operation of the Development discriminate against any person on the grounds of race, color, creed, religion, sex, age, handicap, national origin, ancestry, unfavorable military discharge or familial or marital status, or because the Tenant is receiving governmental assistance.

b. Borrower shall comply with all of the provisions of Paragraph 13 of the Act and all other provisions of applicable federal, state and local law relative to non-discrimination.

10. **Violation of Agreement by Borrower.** Upon violation of any of the provisions of this Agreement by Borrower, IHDA may give written notice of such violation to Borrower, and Borrower shall then have thirty (30) days to correct or cure it. If (i) such violation is not corrected within thirty (30) days after the date of such notice, or within such further time as IHDA in its sole discretion permits, or (ii) there exists a default under any of the other Loan Documents after giving effect to any applicable cure periods, then without further notice IHDA may declare a Default under this Agreement, effective on the date of such declaration, and upon such Default, IHDA may take any of the following actions:

a. Declare the whole of the indebtedness under the Note immediately due and payable and then proceed with the rights and remedies set forth in the Mortgage or any other of the Loan Documents;

b. Collect all rents and charges in connection with the operation of the Development and use such collections to pay (i) Borrower's obligations under this Agreement and under the Note, the Mortgage and the other Loan Documents and (ii) the necessary expenses of preserving and operating the Development;

c. Take possession of the Development, operate it in accordance with the terms of this Agreement and bring any



# UNOFFICIAL COPY

action necessary to enforce any rights of Borrower growing out of its operation until such time as IHDA, in its sole discretion, determines that Borrower is again in a position to operate the Development in accordance with the terms of this Agreement and in compliance with the requirements of the Note, the Mortgage and the other Loan Documents;

d. Apply to any court, state or federal, for (i) specific performance of this Agreement, (ii) an injunction against any violation of this Agreement, (iii) the appointment of a receiver to take over and operate the Development or (iv) such other relief as may be appropriate, since the injury to IHDA arising from a Default would be irreparable and the amount of damage would be difficult to ascertain. Accordingly, Borrower acknowledges and agrees that, in the event of a violation of this Agreement, IHDA's remedies at law would be inadequate to assure IHDA's public purpose under the Act; and

e. Exercise such other rights or remedies as may be available to IHDA under this Agreement, at law or in equity.

**11. Assignment of Rents for Security.** Subject to the provisions of the Mortgage, as security for the payments due for the Replacement Reserve Account and as security for the other obligations under this Agreement, Borrower assigns, pledges and mortgages to IHDA the rights to the rents, profits, income and charges of whatever sort that they may receive or be entitled to receive from the operation of the Development.

**12. Development Funds and Development Property.**

a. The Development and Development Funds are referred to in this Agreement as "Development Property." All Development Funds received by Borrower or its agents shall be deposited in the Development Bank Account. Such deposits shall be invested in accordance with the requirements for deposits and investments of **Paragraph 6.j.** hereof. Development Funds shall be withdrawn only in accordance with the provisions of this Agreement and shall be disbursed, to the extent available, and applied in the following order of priority:

i. Payment of Operating Expenses, Maintenance Expenses and Administrative Expenses;

ii. Payments into the Tax and Insurance Reserve Account;

# UNOFFICIAL COPY

iii. Payments of amounts due under the Note, including principal, interest, late charges and other amounts payable under it;

iv. Payments into the Replacement Reserve Account;

v. Payments of amounts due under any permitted subordinate financing;

vi. Payments required to be made on the Sponsor Loan;

vii. Payments of any deferred developer's fee approved by IHDA and payments of advances to the Development, as permitted under **Paragraph 7.b** hereof; and

viii. Subject to any amounts required to be paid into the Residual Receipts Account pursuant to **Paragraph 4.b.** hereof, or by reason of the limitations of **Paragraph 7** hereof, payments to Borrower as a Distribution.

The foregoing provisions are intended to establish priorities in payment, except as otherwise designated in writing by IHDA.

**b.** After the application of Development Funds received by Borrower in accordance with the priorities of **Paragraph 12.a.** above, all Development Funds received by IHDA shall also be applied in accordance with the priorities set forth in **Paragraph 12.a.**

**c.** If Borrower, its principals or its agents receive Development Funds other than by a permitted Distribution or reimbursement of prior advances approved by IHDA (other than Equity in the Development) with interest on them, the individual or entity receiving such funds shall immediately deposit them into the Development Bank Account; if such individual or entity fails so to do in violation of this Agreement, it shall be deemed to be holding such funds in trust for the Development. If Borrower, its principals or its agents receive Development Property in violation of this Agreement, the individual or entity receiving such Development Property shall immediately deliver it to IHDA; if such individual or entity fails so to do in violation of this Agreement, it shall be deemed to be holding such Development Property in trust. Any such Development Funds

# UNOFFICIAL COPY

or Development Property to be held in trust shall be held for the benefit of IHDA separate and apart from any other funds or property of the possessor.

**13. Liability of Borrower - Nonrecourse.** Except as otherwise set forth in this **Paragraph 13**, or in the Commitment, the Guaranty and the Environmental Indemnity, Borrower's liability created under the Loan Documents shall be nonrecourse and neither Borrower nor any of Borrower's general or limited partners shall have any personal liability for repayment of the Loan. IHDA shall look only to the Development and its reserves any other funds relating to the Development for repayment of the Loan. The foregoing shall in no way limit (x) Guarantor's liability for completion of the Development pursuant to the Guaranty; and/or (y) Borrower's liability for or as a result of (i) fraudulent acts, or willful and wanton acts or omissions in violation of the provisions of this Agreement and the other Loan Documents, by, through or under Borrower; (ii) the fair market value of the personalty or fixtures removed or disposed of from the Development in violation of the terms of the Loan Documents; (iii) the misapplication, in violation of the terms of the Loan Documents, of any funds to the full extent of such misapplied funds and/or proceeds, including, without limitation, any funds or proceeds received under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain; (iv) any misapplication of any security deposits attributable to any leases of Units, failure to pay interest on such security deposits as required by law or the collection of rents in violation of any of the Loan Documents; (v) Borrower's receipt and retention or conversion of funds to which it is not entitled; (vi) waste committed on the Development to the extent Replacement Reserves and Surplus Cash are available to remedy such waste and Borrower has failed to remedy the waste despite the written instructions of IHDA; and (vii) the occurrence of a Prohibited Transfer (as defined in the Mortgage), except if such Prohibited Transfer was involuntary.

**14. Termination of Liabilities.**

**a.** In the event of a sale or other transfer of the Development that is approved by IHDA, all of the duties, obligations, undertakings and liabilities of Borrower and/or such transferor under the terms of this Agreement shall thereafter cease and terminate as to Borrower and/or such Borrower-transferor, except as to any acts or omissions or obligations to be paid or performed by Borrower and/or transferor that occurred prior to such sale or transfer. However, as a condition precedent to the termination of the liability of Borrower or owner-transferor under this

# UNOFFICIAL COPY

Agreement, the owner-transferee shall assume, on the same terms and conditions as apply under this Agreement to the owner-transferor, all of the duties and obligations of such owner-transferor arising under this Agreement from and after such sale or transfer. Such assumption shall be in form and content acceptable to IHDA.

b. If Borrower, or any of the parties comprising Borrower, is at any time a partnership or a limited liability corporation, any new or successor general partner of such partnership ("New General Partner"), or any new member of such limited liability corporation ("New Member") shall be bound by the terms of this Agreement to the same extent and on the same terms as the then-present general partners or members, as the case may be, of such partnership or limited liability company, as applicable, are bound under this Agreement and shall execute an assumption of such obligation in form and content acceptable to IHDA as condition precedent to such party's admission as a New General Partner or New Member, as the case may be; however, any such New General Partner or New Member shall not be obligated with respect to matters or events that occur or arise prior to such party's admission as a New General Partner or New Member. If any general partner or member of such partnership or limited liability company, as applicable, shall voluntarily retire or withdraw from its partnership or membership ("Voluntarily Retiring Individual") in a manner permitted by IHDA, all of the duties, obligations, undertakings and liabilities of the Voluntarily Retiring Individual under this Agreement shall thereupon cease and terminate except as to any acts or omissions or obligations required to be paid or performed by such Voluntarily Retiring Individual that occurred prior to such retirement or withdrawal. If any General Partner or member of such partnership or limited liability company, as applicable, dies, or is adjudicated insane or incompetent, or has a guardian or conservator appointed with respect to its person or assets or is adjudicated insolvent or bankrupt (and such adjudication of insolvency or bankruptcy is not dismissed or stayed within 60 days) (any such General Partner or member is referred to in this Agreement as an "Involuntarily Retiring Individual"), all of the duties, obligations, undertakings and liabilities of the Involuntarily Retiring Individual under the terms of this Agreement shall thereupon cease and terminate except as to any acts or omissions or obligations required to be paid or performed by such Involuntarily Retiring Individual that occurred prior to such death, adjudication of insanity or

# UNOFFICIAL COPY

incompetence, appointment of a guardian or conservator or adjudication of insolvency or bankruptcy.

**15. Term of Agreement/Covenants Running with Land.** The covenants set forth in this Agreement shall be deemed to run with and bind and burden the Development, and shall be deemed to bind any future owners of the Development and any legal, equitable or beneficial interest in it, and shall not be deemed extinguished, satisfied or completed until the later of payment in full of the Note. Upon repayment by Borrower of all amounts due under the Note, the Mortgage and the other Loan Documents, IHDA shall execute a release in recordable form of the Mortgage, this Agreement and any other recordable document, and shall turn over to Borrower any funds in all escrows, including any tax and insurance escrows, replacement reserve accounts or residual receipts accounts, and any undistributed Surplus Cash.

**16. Indemnification of the Authority.** Borrower agrees to defend and indemnify and hold harmless IHDA from and against any and all damages, including, but not limited to, any past, present or future claims, actions, causes of action, suits, demands, liens, debts, judgments, losses, costs, liabilities and other expenses, including, but not limited to, reasonable attorneys' fees, costs, disbursements, and other expenses, that IHDA may incur or suffer by reason of or in connection with the Real Estate or the Development. Borrower further agrees that the Authority, if it so chooses, shall have the right to select its own counsel with respect to any such claims.

**17. Miscellaneous.**

**a. Amendment of Agreement.** This Agreement shall not be altered or amended except in a writing executed by all of the parties hereto.

**b. Execution of Conflicting Documents.** Borrower warrants that it has not, and will not, execute any other agreement with provisions contradictory, or in opposition, to the provisions of this Agreement, and that, in any event, the requirements of this Agreement are and will be paramount and controlling as to the rights and obligations set forth in it and will supersede any other requirements in conflict with this Agreement; however, to the extent this Agreement conflicts with any provisions or requirements set forth in the Mortgage or the Note, the document selected by IHDA shall prevail and control.

# UNOFFICIAL COPY

c. **Partial Invalidity.** The invalidity of any clause, part or provision of this Agreement shall not affect the validity of its remaining portions.

d. **Binding Successors.** This Agreement shall bind, and the benefits shall inure to, the respective parties to this Agreement, their legal representatives, executors, administrators, successors in office or interest and assigns; however, Borrower shall not assign this Agreement or any of its obligations under it without the prior written approval of IHDA.

e. **Gender.** The use of the plural in this Agreement shall include the singular; the singular the plural; and the use of any gender shall be deemed to include all genders.

f. **Recording Agreement.** Borrower agrees and assumes the obligation to have this Agreement recorded, prior to the recordation of the Mortgage, in the appropriate land records in the jurisdiction in which the Development is situated. If Borrower fails to do so, IHDA may have it recorded at the expense of Borrower.

g. **Election of IHDA's Remedies.** IHDA's remedies are cumulative and the exercise of one shall not be deemed an election of remedies, nor foreclose the exercise of IHDA's other remedies.

h. **Waiver by IHDA.** No waiver by IHDA of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach.

i. **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of the intent of the Agreement.

j. **Third Parties.**

i. The parties do not intend this Agreement to inure to the benefit of any third party, including, but not limited to, contractors, subcontractors, management and marketing agents and creditors of Borrower or the Development.

ii. Borrower agrees that IHDA is intended to be a direct beneficiary of all agreements connected with the Development to enable IHDA to carry out its statutory

# UNOFFICIAL COPY

purpose of providing decent, safe and sanitary housing to persons and families of very low or low income in the State of Illinois. Borrower therefore intends that all agreements connected with the Development to which either or both are a party shall inure to the benefit of IHDA, even if IHDA is not a party to such agreements, but do not intend that such agreements inure to the benefit of any other third party.

**k. Notices.** All notices under this Agreement shall be given as provided in **Exhibit B** attached to and made a part hereto.

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

# UNOFFICIAL COPY

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed by their respective authorized representatives.

**BORROWER:**

**PARKWAYS PRESERVATION, L.P.**,  
a Delaware limited partnership

By: AIMCO Parkways GP, LLC,  
a Delaware limited liability company  
Its general partner

By: AIMCO Equity Services, Inc.,  
a Virginia corporation  
Its member

By: *James Gruber*  
Its Executive Vice President

**IHDA:**

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, a body politic and corporate

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

RBM/102600/J:/AMBACFORMS/REGAGR

Cook County Clerk's Office



# UNOFFICIAL COPY

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective authorized representatives.

**BORROWER:**

**PARKWAYS PRESERVATION, L.P.,**  
a Delaware limited partnership

By: AIMCO Parkways GP, LLC,  
a Delaware limited liability company  
Its general partner

By: AIMCO Equity Services, Inc.,  
a Virginia corporation  
Its member

By: \_\_\_\_\_  
Its Executive Vice President

**IHDA:**

**ILLINOIS HOUSING DEVELOPMENT AUTHORITY,** a body politic and corporate

By: \_\_\_\_\_  
Printed Name: Jane R. Bilger  
Title: Chief of Staff

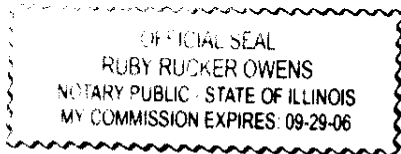
RBM/102600/J:/AMBACFORMS/REGAGR

# UNOFFICIAL COPY

STATE OF ILLINOIS     )  
  ) SS  
COUNTY OF COOK     )

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that Jane A. Bilger, personally known to me to be the Chief of Staff of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the said instrument in her capacity as Chief of Staff of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, as her free and voluntary act and deed and as the free and voluntary act and deed of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, for the uses and purposes therein set forth.

Given under my hand and official seal this 14<sup>th</sup> day of December, 2004



*Ruby Rucker Owens*  
\_\_\_\_\_  
Notary Public


# UNOFFICIAL COPY

STATE OF CT )  
COUNTY OF Fairfield ) SS

### ACKNOWLEDGMENT OF MORTGAGOR

I, the undersigned, a notary public in and for the State and County aforesaid, certify that Lanie Frankel the Executive Vice President of AIMCO Equity Services, Inc., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that, as such Executive Vice President signed and delivered such instrument as his free and voluntary act, as the free and voluntary act of AIMCO Equity Services, Inc., for the uses and purposes therein set forth.

Given under my hand and official seal this 15 day of December, 2004.

  
**PETER SILKOWITZ**  
**NOTARY PUBLIC**  
**MY COMMISSION EXPIRES**  
**DEC. 31, 2007**  
Notary Public

DEPT. OF COOK COUNTY CLERK'S OFFICE

# UNOFFICIAL COPY

## EXHIBIT "A"

THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED AS FOLLOWS:

### **PARCEL 1:**

LOTS 6 TO 9, INCLUSIVE AND THE WEST 1/2 OF LOT 5 IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### **PARCEL 2:**

LOTS 8 AND 9 AND THE WEST 18.00 FEET OF LOT 7 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### **PARCEL 3:**

LOTS 4, 5, 6 AND THE WEST 12.00 FEET OF LOT 3 AND THE EAST 12.00 FEET OF LOT 7 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### **PARCEL 4:**

LOTS 6 TO 9, INCLUSIVE AND THE WEST 1/2 OF LOT 5 IN BLOCK 1 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### **PARCEL 5:**

LOTS 1 TO 4, INCLUSIVE AND THE EAST 1/2 OF LOT 5 IN BLOCK 1 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

### **PARCEL 6:**

LOT 27 TO 30, INCLUSIVE IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

# UNOFFICIAL COPY

**PARCEL 7:**

LOTS 25 AND 26 IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 8:**

LOTS 23 AND 24 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 9:**

LOTS 25 AND 26 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 10:**

LOTS 23 AND 24 IN BLOCK 1 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 11:**

LOTS 1 AND 2 IN BLOCK 5 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 12:**

LOTS 39 AND 40 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 13:**

LOTS 1 AND 2 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

# UNOFFICIAL COPY

**PARCEL 14:**

LOTS 37 TO 40, INCLUSIVE IN BLOCK 8 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 15:**

LOTS 21, 22 AND 23 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 16:**

LOTS 29 AND 30 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 17:**

LOTS 14, 15, 16 AND THE NORTH 3.00 FEET OF LOT 17 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 18:**

LOTS 19 AND 20 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 19:**

LOTS 1, 2, 3 AND 4 AND THE EAST 1/2 OF LOT 5 IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 20:**

LOTS 36 AND 37 IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

# UNOFFICIAL COPY

**PARCEL 21:**

LOTS 24 AND 25 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 22:**

LOTS 38 IN BLOCK 3 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 23:**

LOT 17 AND 18 IN BLOCK 6 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 24:**

LOTS 2, 3 AND 4 IN BLOCK 3 IN DICKEY AND BAKER'S SUBDIVISION OF LOT 1 OF THE SOUTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

**PARCEL 25:**

LOT 31 AND THE SOUTH 20.00 FEET OF LOT 32 IN BLOCK 2 OF SOUTH JACKSON PARK SUBDIVISION OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

PIN:

20-24-301-001, 20-24-302-001, 20-24-302-002, 20-24-303-001, 20-24-303-002,  
20-24-301-017, 20-24-301-018, 20-24-302-012, 20-24-302-020, 20-24-303-012,  
20-24-308-010, 20-24-309-001, 20-24-309-013, 20-24-311-001, 20-24-309-012,  
20-24-302-018, 20-24-302-006, 20-24-309-024, 20-24-301-002, 20-24-301-014,  
20-24-309-011, 20-24-301-013, 20-24-309-023, 20-24-316-016, and 20-24-302-017,  
VOLUME 261.

**UNOFFICIAL COPY****EXHIBIT B****NOTICE PROVISIONS**

Any notice, demand, request or other communication that any party may desire or may be required to give to any other party under this document shall be given in writing, at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; or (c) registered or certified United States mail, postage prepaid, return receipt requested.

If to IHDA:

Illinois Housing Development Authority  
401 North Michigan Avenue  
Suite 900  
Chicago, Illinois 60611  
Attention: Director, Multifamily Programs

with a copy to:

Illinois Housing Development Authority  
401 North Michigan Avenue  
Suite 900  
Chicago, Illinois 60611  
Attention: General Counsel

If to Borrower:

Parkways Preservation, L.P.  
c/o AIMCO  
4582 South Ulster Parkway, Suite 1100  
Denver, Colorado 80237  
Attention: Executive Vice President - Debt & Securities

With a courtesy copy to:

AIMCO  
4582 South Ulster Parkway, Suite 1100  
Denver, Colorado 80237  
Attention: Lance Graber

Such addresses may be changed by notice to the other party given in the same manner as provided in this Exhibit. Any notice, demand, request or other communication sent pursuant to subparagraph (a) shall be served and effective upon such personal service. Any notice, demand, request or other communication sent pursuant to subparagraph (b) shall be served and effective one



# UNOFFICIAL COPY

(1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subparagraph (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service. In connection with the courtesy copy, IHDA will exercise reasonable efforts to provide copies of any notices given to Borrower; however, IHDA's failure to furnish copies of such notices shall not limit IHDA's exercise of any of its rights and remedies under the Loan Documents, or effect the validity of the notice.

Property of Cook County Clerk's Office