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Doc#: 0709331011 Fee: \$34.00
Eugene "Gene" Moore RHSP Fee:\$10.00
Cook County Recorder of Deeds
Date: 04/03/2007 10:27 AM Pg: 1 of 6

This instrument was prepared by
and after recording return to:

Jennifer Overton
Illinois Facilities Fund
One North LaSalle Street suite 700
Chicago, IL 60602

ADDENDUM TO MORTGAGE

THIS ADDENDUM TO MORTGAGE dated as of April 3, 2007, is attached to, and is intended to be incorporated into and to constitute a part of, that certain Mortgage, Security Agreement and Fixture Filing dated as of February 9, 2007 and recorded March 7, 2007 as document number 0706642119 by ALTERNATIVES, INC., an Illinois not for profit corporation, as "Mortgagor," and ILLINOIS FACILITIES FUND, an Illinois not for profit corporation, as "Mortgagee."

Mortgagor acknowledges and agrees that: (i) Mortgagee has agreed to make the loan evidenced by the Note (the "Loan") with the intention of assigning the Loan, the Note, this Mortgage, and all other Loan Documents to IFF Capital II LLC, an Illinois limited liability company ("IFF Capital"), and that the ultimate source of funding of the Loan is intended to be provided from funds invested in IFF Capital that will qualify for New Markets Tax Credits under Section 45D of the Internal Revenue Code, as amended (the "Code"). Accordingly, the initial and continuing status of the Mortgagor as a "Qualified Active Low-Income Community Business" (as such term is defined in Section 45D of the Code and related Treasury Regulations) are material considerations to Mortgagee in making the Loan. Therefore, Mortgagor hereby agrees as follows:

1. The following provisions are hereby added to Section 13 of the Mortgage:

(g) Mortgagor acknowledges and agrees that (i) the failure of the Mortgagor to constitute a Qualified Active Low-Income Community Business (as defined in Section 45D of the Code), as well as the failure of Mortgagor to provide the certifications and other information that Mortgagee may require in order to confirm and report that the Mortgagor constitutes a Qualified Active Low-Income Community Business, will have a material, adverse effect on Mortgagee; and (ii) accordingly, in the event that any Default shall arise as a result of a breach, violation, or failure to comply with any of the covenants set forth in this Section 13(g) or Mortgagor shall otherwise take any action that would cause Mortgagor to cease to constitute a Qualified Active Low-Income Community Business in the reasonable determination of the Mortgagee, such Default shall be material and shall entitle Mortgagee to exercise any and all remedies available under the Note, this Mortgage, at law or in equity on account of such Default. During the

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period commencing on the date hereof and ending on the seventh anniversary of the date of the last disbursement under the Note, Mortgagor shall comply with the following:

- (A) Mortgagor shall not discontinue conducting business; materially change the nature of its business; materially change the manner in which its business activities are conducted; or conduct any business or activities in any location other than the Premises, without, in each case, Mortgagor having provided at least sixty (60) days prior written notice to Mortgagee;
- (B) Mortgagor shall maintain records of: (1) the activities and services performed by employees, their wages and the administration of their employment (including where their services are performed and, in instances where such employees also perform services for persons or entities other than Mortgagor, the allocation of their time between Mortgagor and any such other person or entity), evidencing that not less than 50% of the services performed for Mortgagor by its employees are performed at the Premises; (2) the average bases and locations of its owned property and average value and locations of its leased property, evidencing that not less than 50% of its owned and leased tangible property is used at the Premises; and (3) the unadjusted bases of its property generally evidencing that less than 5% of such unadjusted bases is attributable to either collectibles (e.g., including works of art, any rug or antiques, any stamps or coins, any metal or gems or such other property identified in Section 408(m) of the Code) or nonqualified financial property (e.g., including debt, stock, options, futures contracts and annuities or such other property identified in Section 1397C(e) of the Code), all as more fully described in the Borrower Certification Form described below. Mortgagor shall make all such records available to Mortgagee for inspection and copying from time to time (at Mortgagor's expense) as Mortgagee may request;
- (C) Mortgagor shall provide Mortgagee with a Borrower Certification Form, in substantially the form described below, for each fiscal year no later than 120 days after the end of such fiscal year, which shall evidence compliance with the covenants in subparagraph (B) above and shall otherwise enable Mortgagee to reasonably determine that Mortgagor continues to be a Qualified Active Low-Income Community Business.
- (D) Notwithstanding any provision of the Note to the contrary, Mortgagor shall not be entitled to make any prepayment (in whole or in part) of the principal amount of the Note without providing to Mortgagee at least sixty (60) days' prior written notice of such prepayment.

2. The following provisions are hereby added to Section 14 of the Mortgage:

(g) Pursuant to the Borrower Certification Form of Mortgagor dated January 22, 2007 Mortgagor has fully and accurately stated in writing to Mortgagee the nature of Mortgagor's business, and of the goods or services provided, Mortgagor's primary sources of revenue, and Mortgagor's primary expenditures. Mortgagor has no plans or intentions to change the nature or manner in which it will conduct its business or to conduct such business from any other location or premises other than the Premises described in Section

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13(g)(A)(2) and the certification contained in the Borrower Certification Form are true and correct as of the date hereof. Mortgagor has received a copy of Mortgagee's analysis with respect to Mortgagor constituting a Qualified Active Low-Income Community Business and represents and warrants that such analysis is true and correct and complete in all material respects.

(h) Mortgagor is exempt from taxation under Section 501(c) of the Code, and the conduct of the business activities of Mortgagor furthers the tax-exempt purposes of Mortgagor.

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Mortgagor hereby confirms its agreement to the foregoing and the incorporation of the provisions of this Addendum in the Mortgage.

Alternatives, Inc.,
an Illinois not for profit corporation

By: Judith M. Gall
Name: Judith M Gall
Its: Executive Director

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EXHIBIT A

Legal Description

LOTS 6 AND 7 IN WILLIAMS DEERING SURRENDEN SUBDIVISION OF THE WEST ½ OF THE NORTHEAST ¼ OF SECTION 17, TOWNSHIP 40 NORTH RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

Common Address: 4730 N. Sheridan Road, Chicago, Illinois
PIN: 14-17-203-014

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