

# UNOFFICIAL COPY

Taylor C-2 11/20/07



This instrument was prepared by:

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Kutak Rock LLP  
1 S. Wacker Dr., Suite 2050  
Chicago, IL 60606

Doc#: 0734409042 Fee: \$60.00  
Eugene "Gene" Moore RHSP Fee:\$10.00  
Cook County Recorder of Deeds  
Date: 12/10/2007 11:23 AM Pg: 1 of 19

After recording, this instrument  
should be returned to:

Carol Turner, Esq.  
Chicago Housing Authority  
60 East Van Buren St, 12th Floor  
Chicago, IL 60605

4374876 7/21 m j

## RIGHT OF FIRST REFUSAL AGREEMENT (Rental Development)

This Right of First Refusal Agreement (this "Agreement") is entered into as of the 1st day of December, 2007, by and between Legends C-2, LLC, an Illinois limited liability company (the "Company"), Chicago Housing Authority, an Illinois municipal corporation ("CHA"), and Legends C-2 Manager, LLC, an Illinois limited liability company (the "Managing Member").

### RECITALS:

A. The Managing Member and TRGHT, Inc., a Delaware corporation (the "Investor") (the "Consenting Member") have entered into that certain Amended and Restated Operating Agreement, dated as of December 1, 2007 (the "Operating Agreement"), which governs the Company. Pursuant to the Operating Agreement, the Consenting Member has the right to approve this Agreement.

B. CHA is the owner in fee simple of those certain parcels of real property described in Exhibit A attached hereto (the "Land"), located in the City of Chicago, Cook County, Illinois. CHA, as landlord, and the Company, as tenant, are concurrently herewith entering into a ground lease for the Land (the "Ground Lease"). Terms used herein and not defined shall have the meanings given to them in the Ground Lease.

C. Pursuant to that certain Contract for Redevelopment of the Robert Taylor Homes Site, dated as of June 30, 2003, among Daniel E. Levin and The Habitat Company LLC, as Receiver for the development of new, non-elderly public housing for the CHA, and BMT-I, LLC (the "Developer"), an Illinois limited liability company whose members are Brinshore Holding, LLC and The Michaels Development Company I, LP, a New Jersey limited partnership, and The Michaels Development Company, Inc., a New Jersey corporation (collectively the "Members"), the Company has agreed to acquire, construct and equip on the Land a multi-family residential rental development, consisting of a total of 118 residential housing dwelling units (the "Rental

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Units”) and related improvements, to be known as Legends South Phase C-2 (the “Development”). 95 of the Rental Units (the “Tax Credit Units”) will be leased by the Company to low-income persons and families who qualify as eligible tenants under Section 42 of the Internal Revenue Code of 1986, as amended (the “Code”).

D. Concurrently herewith, CHA and the Company are entering into that certain Regulatory and Operating Agreement, dated of even date herewith (the “R&O Agreement”), which obligates the Company to lease the PHA-Assisted Units (hereinafter defined) to CHA Tenants for a period of at least 40 years after the date of first occupancy of the last PHA-Assisted Unit is leased to a CHA Tenant. The period during which the Company is obligated to lease the PHA-Assisted Units to CHA Tenants pursuant to the R&O Agreement is hereinafter referred to as the “R&O Term”. The R&O Agreement obligates CHA, during the first 40 years of the R&O Term, to make payments to the Company of operating subsidies with respect to the PHA-Assisted Units. Also, during the term of that certain Regulatory Agreement, dated of even date herewith, between the Company and the City of Chicago (the “City”) (the “City Regulatory Agreement”), and those three certain Extended Use Agreements, dated of even date herewith, between the Company and the Illinois Housing Development Authority (“IHDA”) (collectively, the “IHDA Extended Use Agreements”), the PHA-Assisted Units must be leased to low-income persons and families who qualify as eligible tenants under Section 42 of the Code. 52 of the Tax Credit Units will be public housing units (the “PHA-Assisted Units”), as further described in the R&O Agreement.

E. CHA has agreed to enter into the Ground Lease and provide certain financial assistance in the form of loans to the Company on the condition that the Company enters into this Agreement.

F. The Development is or will be subject to one or more governmental agency regulatory agreements as described in the Ground Lease (said regulatory agreements (including, without limitation, the City Regulatory Agreement and the IHDA Extended Use Agreements) and the R&O Agreement are collectively referred to as the “Regulatory Agreements”) restricting the use of certain of the units to low-income housing, and, in the case of the R&O Agreement, restricting the use of certain of the units to PHA-Assisted Units (such use restrictions under the Regulatory Agreements being collectively referred to herein as the “Use Restrictions”).

G. The parties have agreed that CHA shall have a right of first refusal to purchase the PHA-Assisted Units, exercisable in the event that the Company receives an offer to purchase the Development, or any portion thereof containing any PHA-Assisted Units, which offer contemplates a closing to occur on or after the date the R&O Agreement is terminated or expires in accordance with its terms (the “R&O Termination Date”). The parties have also agreed that any sale or disposition of the Development or all or any portion of the PHA-Assisted Units will be subject to the right of first refusal herein contained.

H. The parties have further agreed that, if CHA does not purchase the PHA-Assisted Units pursuant to such right of first refusal, the then owner of the PHA-Assisted Units may, at any time thereafter, sell the PHA-Assisted Units to third parties without regard to the right of first refusal herein contained, as more particularly described below.

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Now, therefore, in consideration of the execution and delivery of this Agreement and the payment by CHA to the Company of Ten and No/100 Dollars (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Grant of Refusal Right.** (a) The Company hereby grants to CHA the right of first refusal (the "Refusal Right") to purchase the PHA-Assisted Units on the terms and subject to the conditions set forth in this Agreement. The parties acknowledge that the PHA-Assisted Units may float among the Rental Units from time to time, so the Refusal Right shall apply to those Rental Units that are PHA-Assisted Units on the R&O Termination Date. Except as provided in Subparagraph (b) below, the Refusal Right shall apply only in the event that the Company receives an offer to purchase the Development, or any portion thereof that includes one or more of the PHA-Assisted Units (a "Purchase Offer"), with a closing to occur on or after the date that the R&O Agreement is to expire (the "R&O Expiration Date"). If the Company receives such a Purchase Offer, the Company shall, within fourteen (14) days after receipt thereof, give written notice (the "Purchase Offer Notice") to CHA (and to such other parties as required under the Company's organizational documents) of such Purchase Offer, which shall be accompanied by a copy of such Purchase Offer and the Company's estimate of the Purchase Price (as that term is hereinafter defined) that would be payable by CHA for the PHA-Assisted Units. The Company shall not accept any Purchase Offer unless and until the same is subject to the Refusal Right (i.e. that such Purchase Offer must include an acknowledgement from the prospective purchaser that the Company is not obligated to sell the PHA-Assisted Units to the prospective purchaser if the Refusal Right is exercised), unless the Refusal Right Period (as that term is hereinafter defined) has expired without exercise of the Refusal Right by CHA. As used herein, "Refusal Right Period" shall mean the period commencing on the date of CHA's receipt of the Purchase Offer Notice and ending six (6) months after such date. The Refusal Right may be exercised by CHA giving written notice of exercise of the Refusal Right (the "Exercise Notice") to the Company prior to the expiration of the Refusal Right Period. If the Company has timely provided to CHA the estimate of the Purchase Price (the Company acknowledges that such estimate will be a material factor in CHA's decision whether to exercise the Refusal Right) and CHA fails to give the Exercise Notice prior to the expiration of the Refusal Right Period for any reason, the Refusal Right shall expire and be of no further force or effect.

(b) If the R&O Agreement is terminated prior to the R&O Expiration Date, the Refusal Right shall apply in the event that the Company receives any Purchase Offer within the six (6) month period immediately succeeding the date that the R&O Agreement is terminated, regardless of the date of closing under such Purchase Offer. In such event, all of the other provisions of Subparagraph (a) shall apply.

(c) CHA acknowledges and agrees that, prior to the first to occur of the Extended Use Period Expiration Date (as that term is defined in the City Regulatory Agreement) or the earlier termination or cessation of enforceability of the City Regulatory Agreement, without the prior written consent of the City: (1) the Refusal Right may not be transferred or assigned; and (2) the closing of the purchase of the PHA-Assisted Units pursuant to the exercise of the Refusal Right may not occur.

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2. **Obligation to Market.** The Company shall actively market and solicit offers to purchase the PHA-Assisted Units or the Development, commencing not later than the earlier of: (a) twelve (12) months preceding the R&O Expiration Date; and (b) the date the R&O Agreement is terminated prior to the R&O Expiration Date.

3. **Purchase Price Under Refusal Right.** The purchase price for the PHA-Assisted Units payable by CHA under the Refusal Right shall be equal to the greater of: (a) the sum of: (i) the Proportionate Share (as that term is hereinafter defined) of an amount sufficient to pay all debts of the Company (not including unsecured member loans), plus (ii) an amount sufficient for the Company to pay the federal and state taxes, if any, projected to be imposed on the Company as a result of the sale of the PHA-Assisted Units pursuant to the Refusal Right; and plus (iii) an amount sufficient for the Company to distribute to the members of the Company (the "Members") cash proceeds equal to the federal and state taxes imposed on the Members as a result of the sale of the PHA-Assisted Units pursuant to the Refusal Right (the purchase price determined under this Clause (a) is hereinafter referred to as the "Debt Plus Taxes Price"); and (b) if the minimum allowable purchase price determined under Section 42(i)(7) of the Internal Revenue Code of 1986, as amended (the "Code"), with the application of the Proportionate Share calculation, is greater than the Debt Plus Taxes Price determined under Clause (a), then the purchase price shall be such price (with the application of the Proportionate Share calculation) as determined under the Code (the purchase price determined under this Clause (b) is hereinafter referred to as the "Code Price"). The purchase price for the PHA-Assisted Units, determined in accordance with the foregoing provisions of this Section 3, is hereinafter referred to as the "Purchase Price". If, at the time of the Closing (as that term is hereinafter defined), the Debt Plus Taxes Price applies, and the actual amounts due under Clauses (a)(ii) and (a)(iii) are not then determinable, those amounts shall be projected based upon the assumed tax liability at the highest applicable tax rate to the Company and the Members, and such amounts shall be adjusted when the actual amounts can be determined. As used herein the term "Proportionate Share" means, with respect to any loan secured by a mortgage on the Development or any portion thereof, a fraction, the numerator of which is the total square footage of all of the PHA-Assisted Units, and the denominator of which is the total square footage of all of the units in the Development encumbered by such mortgage. Promptly after CHA delivers the Exercise Notice to the Company, CHA and the Company shall use their best efforts in good faith to agree upon the Purchase Price for the PHA-Assisted Units.

4. **Alternate Debt.** The mortgage loans obtained by the Company in connection with the initial construction of the Development are hereinafter collectively referred to as the "Initial Loans". If any such Initial Loan is a short-term construction loan that is to be replaced by a so-called "permanent loan" upon completion of construction, the term "Initial Loans" shall include such permanent loan rather than such construction loan. It is anticipated that the unpaid balance of the Initial Loan secured by a first mortgage on the Development (the "Initial First Mortgage Loan") will be reduced over time through periodic payments of principal and interest. The projected unpaid principal balance of the Initial First Mortgage Loan, plus all accrued and unpaid interest thereon (collectively, the "Unpaid Balance"), as of the R&O Expiration Date, or at any other point in time, assuming timely payments of principal and/or interest, is hereinafter referred to as the "Projected Balance". It is also anticipated that the Unpaid Balance as of the R&O Expiration Date, or at any other point in time, of other mortgage loans comprising the Initial Loans may be higher than the original principal amount of such loans because the

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payments required from time to time may be less than the amount of interest that accrues. The parties acknowledge that it is possible that the Company will, from time to time, deem it necessary or desirable to refinance or replace one or more of the Initial Loans or to incur additional debt in connection with the Development or portions thereof (such refinanced or additional debt is hereinafter referred to as "Alternate Debt"). The parties further acknowledge that any Alternate Debt may affect the amount of the Company's debt, which would also affect the Debt Plus Taxes Price. Accordingly, the Company shall, as part of the Company's request for CHA's consent to any proposed Alternate Debt, advise CHA in writing of the fact that such Alternate Debt may affect CHA's Purchase Price for the PHA-Assisted Units under this Agreement.

**5. Conditions Precedent.** Notwithstanding anything in this Agreement to the contrary, CHA's exercise of the Refusal Right granted under this Agreement shall be contingent on the following:

(a) CHA shall not have defaulted (and, if applicable, no Permitted Assignee (as that term is hereinafter defined) shall have defaulted), taking into account all applicable notice and cure periods, in a material respect under any of its obligations to the Company under this Agreement, the R&O Agreement, or any other loan documents or collateral documents by and between CHA (or such Permitted Assignee) and the Company, provided that, if such a default exists or has existed, the Company has given written notice of such default to CHA and such default remains uncured; and

(b) CHA shall be in good standing as a public housing entity under the rules and regulations of the United States Department of Housing and Urban Development ("HUD") and as an Illinois municipal corporation as of the closing (and, if applicable, any Permitted Assignee shall similarly be in existence and good standing).

If either of such conditions precedent has not been met, any exercise of the Refusal Right shall be null and void and the Refusal Right shall be of no further force or effect.

**6. Contract and Closing Date.** Promptly after the Refusal Right has been exercised and the Purchase Price has been determined, the Company and CHA shall enter into a written contract for the purchase and sale of the PHA-Assisted Units in accordance with this Agreement and containing such other terms and conditions as are standard and customary for similar commercial transactions in the City of Chicago. Subject to the limitations set forth in Section 1(c) above, the closing date under such contract (the "Closing Date") shall be the earlier of: (a) if the R&O Agreement is not terminated prior to the R&O Expiration Date, the R&O Expiration Date; and (b) if the R&O Agreement is terminated prior to the R&O Expiration Date, the date specified by CHA in its Exercise Notice (but in no event shall such date be later than sixty (60) days after the date of such Exercise Notice). In the absence of any such purchase and sale contract, this Agreement shall be specifically enforceable upon the exercise of the Refusal Right. The closing shall take place through a deed-and-money escrow with a mutually acceptable title company. At the closing: (a) CHA shall pay to the Company the Purchase Price, plus or minus customary prorations and credits; provided, however, that CHA shall have the right to apply as a credit against the Purchase Price up to the entire unpaid principal balance of, plus accrued interest on, any loan then held by CHA that is secured by a mortgage on the Rental Units, or any

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portion thereof (with any remainder of such principal balance plus accrued interest, and any other amounts then due from the Company to CHA in connection with such loan being secured by a mortgage lien on the other Rental Units in the Development); and (b) the Company shall deliver to CHA the following: (i) a Special Warranty Deed conveying the PHA-Assisted Units to CHA free and clear of all liens, claims, encumbrances and other matters other than: (A) the matters set forth on Exhibit B attached hereto; and (B) the provisions of the condominium declaration that governs such units and the Condominium Act (as that term is hereinafter defined); and (C) such other matters as CHA does not reasonably disapprove; and (ii) an ALTA owner's title insurance policy (with extended coverage and an ALTA Condominium Endorsement Form 4), in the amount of the Purchase Price, insuring CHA's title to the PHA-Assisted Units. CHA and the Company shall also execute and deliver such other documents as are customary in similar transactions in the City of Chicago.

7. **Use Restrictions.** In consideration of the Refusal Right granted hereunder at the price specified herein, CHA hereby agrees that the deed conveying the PHA-Assisted Units to CHA shall contain a covenant running with the land, restricting use of the PHA-Assisted Units to low-income housing to the extent required by those Use Restrictions contained in the Regulatory Agreements.

8. **Assignment.** CHA may assign all or any of its rights under this Agreement with respect to the Refusal Right to: (a) a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code; (b) a government agency; or (c) a tenant organization (in cooperative form or otherwise) or resident management corporation of the Development or the PHA-Assisted Units; in each case with the prior written consent of the Company (each a "Permitted Assignee"), which consent shall not be unreasonably withheld if the proposed assignee demonstrates: (i) its ability and willingness to operate and maintain the PHA-Assisted Units as low-income housing in accordance with the Use Restrictions; and (ii) that it is reputable and creditworthy and is a capable, experienced owner and operator of residential rental property. Any such assignment shall be subject to the conditions precedent to the exercise of the Refusal Right set forth in Section 5. Prior to any assignment or proposed assignment of its rights hereunder, CHA shall give written notice thereof to the Company. If CHA proposes to assign its rights hereunder to a qualified non-profit in accordance with clause (a) above, CHA shall give written notice to the Company of the proposed assignment not less than sixty (60) days prior to the assignment or proposed assignment. If, within fifteen (15) days following receipt of such written notice, the Company notifies CHA that an affiliate of the Company that meets the definition of a qualified nonprofit organization, as defined in Section 42(h)(5)(C) of the Code (the "Company's Proposed Assignee"), wishes to assume CHA's rights hereunder with respect to the PHA-Assisted Units, and provided that the following conditions precedent are satisfied, CHA shall assign its rights hereunder to the Company's Proposed Assignee:

(a) the Company shall not have defaulted (and, if applicable, the Company's Proposed Assignee shall not have defaulted), taking into account all applicable notice and cure periods, in a material respect under any of its obligations to CHA under this Agreement, the R&O Agreement, or any other loan documents or collateral documents by and between the Company (or the Company's Proposed Assignee) and CHA, provided that, if such a default exists or has existed, CHA has given written notice of such default to the Company and such default remains uncured; and

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(b) each of the Company and the Company's Proposed Assignee shall have legal existence and be in good standing in the State of Illinois and, if different, in its state of organization.

Upon any permitted assignment hereunder, references in this Agreement to CHA shall mean the Permitted Assignee (including the Company's Proposed Assignee, if applicable) where the context so requires, subject to all applicable conditions to the effectiveness of the rights granted under this Agreement and so assigned. No assignment of CHA's rights hereunder shall be effective unless and until such assignment is approved in writing by HUD (if required) and the Permitted Assignee (including the Company's Proposed Assignee, if applicable) enters into a written agreement accepting the assignment and assuming all of CHA's obligations under this Agreement with respect to the Refusal Right and copies of such written agreement are delivered to the Company. Except as specifically permitted herein, CHA's rights hereunder with respect to the Refusal Right shall not be assignable.

9. **Condominium.** Unless the Development has previously been submitted to the provisions of the Condominium Property Act (765 ILCS 605), or any successor thereto (the "Condominium Act"), as a leasehold condominium, the parties acknowledge that it will be necessary to amend the Ground Lease so that title to the condominium units comprising the PHA-Assisted Units and their respective percentage interests in the common elements (the "PHA-Assisted Condominium Units") can be conveyed by the Company to CHA. CHA and the Company shall cooperate with each other and shall take or cause to be taken all actions necessary to accomplish the foregoing, including without limitation: (A) the preparation of a mutually acceptable condominium declaration (the "Declaration"), which shall be executed and recorded by the Company (and, if required, joined in by CHA), and articles of incorporation and by-laws for the condominium association; (B) obtaining the consent of all Leasehold Mortgagees (and HUD if any Leasehold Mortgage is then insured by HUD) to the Declaration; and (C) obtaining appropriate modifications to existing mortgage loan documents so that the liens thereof attach only to the condominium units to be owned by the Company after the closing (the "Company Condominium Units") and not to the PHA-Assisted Condominium Units. CHA and the Company shall each bear fifty percent (50%) of all costs in connection with the foregoing. In addition, if applicable, CHA shall, at its sole expense, take all actions to comply with all applicable laws relating to the ground lessor in connection with the creation of a leasehold condominium. Each party shall bear the cost of any title insurance desired by such party on its respective Condominium Units. The Company and CHA shall use their good faith efforts to accomplish the sale and purchase of the PHA-Assisted Units pursuant to the Refusal Right, and the creation of the leasehold condominium to accommodate that sale and purchase.

## 10. **Miscellaneous.**

(a) **Governing Law.** This Agreement shall be governed by and construed in accordance with the law of the State of Illinois.

(b) **Counterparts.** This Agreement may be executed in counterparts or counterpart signature pages, which together shall constitute a single agreement

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(c) **Separability of Provisions.** Each provision of this Agreement shall be considered separable and if for any reason any provision that is not essential to the effectuation of the basic purposes of this Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

(d) **Entire Agreement.** This Agreement sets forth all (and is intended by all parties to be an integration of all) of the representations, promises, agreements and understandings among the parties hereto with respect to the right of first refusal to acquire the PHA-Assisted Units, and there are no representations, promises, agreements or understandings, oral or written, express or implied, among them other than as set forth or incorporated herein.

(e) **Notices.** Any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (i) personal service; (ii) electronic communications, whether by telex, telegram or telecopy; (iii) overnight courier, receipt requested; or (iv) registered or certified mail, return receipt requested.

If to CHA:

Chicago Housing Authority  
60 East Van Buren St., 12th Floor  
Chicago, Illinois 60605  
Attention: Chief Executive Officer

With a copy to:

Chicago Housing Authority  
60 East Van Buren St., 12th Floor  
Chicago, Illinois 60605  
Attention: General Counsel



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If to Developer or Managing Member:

Legends C-2, LLC  
c/o Brinshore Development, L.L.C.  
666 Dundee Road – Suite 1102  
Northbrook, Illinois 60062  
Facsimile: 847-562-9401  
Attention: David Brint

and

c/o The Michaels Development Company, Inc.  
One East Snow Road  
Marlton, New Jersey 08053  
Attention: President

and

c/o The Michaels Development Company, Inc.  
322 S. Green Street, Suite 212  
Chicago, Illinois 60607  
Attention: Whitney Weller

With a copy to:

Applegate & Thorne-Thomsen, P.C.  
322 South Green Street  
Suite 400  
Chicago, Illinois 60607  
Attention: Bennett P. Applegate

and

Levine, Staller, Skar, Chan, Brown & Donnelly  
3030 Atlantic Avenue  
Atlantic City, New Jersey 08401  
Attention: Arthur M. Brown

Any notice, demand or request sent pursuant to either clause (i) or (ii) 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 (iii) or (iv) above shall be deemed given on the earliest to occur of (1) the date when the notice is received by the addressee; (2) the first Business Day after the notice is delivered to a recognized overnight courier service, with arrangements made for payment of charges for next Business Day delivery; or (3) the third Business Day after the notice is deposited in the United States mail with postage prepaid, certified mail, return receipt requested. As

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used in this Section 10(e), the term "Business Day" means any day other than a Saturday, a Sunday or any other day on which CHA is not open for business. Any party may change the address to which notices intended for it are to be directed by means of notice given to the other party in accordance with this Section 10(e). Each party agrees that it will not refuse or reject delivery of any notice given in accordance with this Section 10(e), that it will acknowledge, in writing, the receipt of any notice upon request by the other party and that any notice rejected or refused by it shall be deemed for purposes of this Section 10(e) to have been received by the rejecting party on the date so refused or rejected, as conclusively established by the records of the U.S. Postal Service or the courier service.

(f) **Binding on Successors.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including without limitation each and every owner of the PHA-Assisted Units.

(g) **Consent of Consenting Member.** The Managing Member hereby represents to CHA that the Consenting Member: (1) has been furnished a copy of this Agreement prior to the execution hereof by the Company and the Managing Member; and (2) has consented to the execution of this Agreement by the Company and the Managing Member.

11. **AHP Loan.** Reference is made to the provisions of the Loan Agreement regarding the AHP Loan described therein. In the event that the provisions of the Loan Agreement regarding the AHP Loan are satisfied and complied with, the AHP Loan shall be deemed to be one of the Initial Loans under Section 4 hereof.

[Signatures appear on the following pages.]

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In Witness Whereof, the parties have executed this Agreement as of the date first set forth hereinabove.

**CHA:**

Chicago Housing Authority, an Illinois municipal corporation

By:   
Martin H. Nesbitt  
Chairman of the Board of Commissioners

**COMPANY:**

Legends C-2, LLC,  
an Illinois limited liability company

By: Legends C-2 Manager, LLC,  
an Illinois limited liability company,  
its managing member

By: Brinshore Holding, LLC,  
an Illinois limited liability company,  
a member

By: Brinshore Development, L.L.C.,  
an Illinois limited liability company,  
its sole member

By: Brint Development, Inc.,  
an Illinois corporation,  
its member

By: \_\_\_\_\_  
David Brint, President

By: Michaels Chicago Holding Company, LLC,  
an Illinois limited liability company,  
a member

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

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In Witness Whereof, the parties have executed this Agreement as of the date first set forth hereinabove.

## CHA:

Chicago Housing Authority, an Illinois municipal corporation

By:

\_\_\_\_\_  
 Martin H. Nesbitt  
 Chairman of the Board of Commissioners

## COMPANY:

Legends C-2, LLC,  
 an Illinois limited liability company

By: Legends C-2 Manager, LLC,  
 an Illinois limited liability company,  
 its managing member

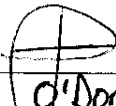
By: Brinshore Holding, LLC,  
 an Illinois limited liability company,  
 a member

By: Brinshore Development, L.L.C.,  
 an Illinois limited liability company,  
 its sole member

By: Brint Development, Inc.,  
 an Illinois corporation,  
 its member

By:                 DBR                  
 David Brint, President

By: Michaels Chicago Holding Company, LLC,  
 an Illinois limited liability company,  
 a member

By:                                   
 Name: John O'Donnell  
 Title: VICE PRESIDENT

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**MANAGING MEMBER:**

Legends C-2 Manager, LLC,  
an Illinois limited liability company,

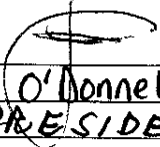
By: Brinshore Holding, LLC,  
an Illinois limited liability company,  
a member

By: Brinshore Development, L.L.C.,  
an Illinois limited liability company,  
its sole member

By: Brint Development, Inc.,  
an Illinois corporation,  
its member

By:   
David Brint, President

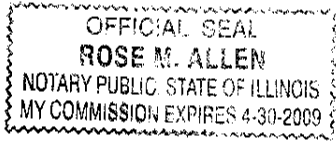
By: Michaels Chicago Holding Company, LLC,  
an Illinois limited liability company,  
a member

By:   
Name: John O'Donnell  
Title: VICE PRESIDENT

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STATE OF ILLINOIS        )  
  ) ss.  
COUNTY OF COOK        )

This instrument was acknowledged before me on December 4, 2007, by Martin H. Nesbitt, as Chairman of the Board of Commissioners of the Chicago Housing Authority.



Rose M. Allen  
Notary Public

State of Illinois        )  
  ) SS  
County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2007, by David Brint, as President of Brint Development, Inc., in its capacity as member of Brinshore Development, L.L.C., in its capacity as sole member of Brinshore Holding, LLC, in its capacity as member of Legends C-2 Manager, LLC, in its capacity as managing member of Legends C-2, LLC.

\_\_\_\_\_  
Notary Public

State of Illinois        )  
  ) SS  
County of \_\_\_\_\_)

This instrument was acknowledged before me on \_\_\_\_\_, 2007, by \_\_\_\_\_, as \_\_\_\_\_ of Michaels Chicago Holding Company, LLC, in its capacity as member of Legends C-2 Manager, LLC, in its capacity as managing member of Legends C-2, LLC.

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

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STATE OF ILLINOIS )  
 ) ss.  
COUNTY OF COOK )

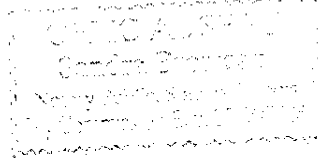
This instrument was acknowledged before me on \_\_\_\_\_, 2007, by Martin H. Nesbitt, as Chairman of the Board of Commissioners of the Chicago Housing Authority.

\_\_\_\_\_  
Notary Public

State of Illinois )  
 ) SS  
County of Cook )

This instrument was acknowledged before me on December 5, 2007, by David Brint, as President of Brint Development, Inc., in its capacity as member of Brinshore Development, L.L.C., in its capacity as sole member of Brinshore Holding, LLC, in its capacity as member of Legends C-2 Manager, LLC, in its capacity as managing member of Legends C-2, LLC.

Candace Brasseau  
Notary Public



State of New Jersey )  
 ) SS  
County of Burlington )

This instrument was acknowledged before me on 12-5, 2007, by John O'Donnell, as VICE PRESIDENT of Michaels Chicago Holding Company, LLC, in its capacity as member of Legends C-2 Manager, LLC, in its capacity as managing member of Legends C-2, LLC.

Catherine A. Freas  
Notary Public

My Commission Expires:

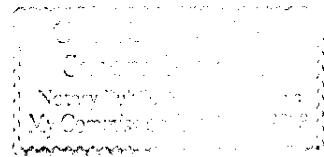
**CATHERINE A. FREAS**  
**NOTARY PUBLIC OF NEW JERSEY**  
**Commission Expires 6/30/2010**

# UNOFFICIAL COPY

State of Illinois )  
 ) SS  
County of Cook )

This instrument was acknowledged before me on December 5, 2007, by David Brint, as President of Brint Development, Inc., in its capacity as member of Brinshore Development, L.L.C., in its capacity as sole member of Brinshore Holding, LLC, in its capacity as member of Legends C-2 Manager.

Sandra Brosseau  
Notary Public



State of New Jersey )  
 ) SS  
County of Burlington )

This instrument was acknowledged before me on 12-3, 2007, by John O'Donnell, as VICE PRESIDENT of Michaels Chicago Holding Company, LLC, in its capacity as member of Legends C-2 Manager, LLC.

Catherine A. Freas  
Notary Public  
My Commission Expires: \_\_\_\_\_

**CATHERINE A. FREAS**  
**NOTARY PUBLIC OF NEW JERSEY**  
**Commission Expires 6/30/2010**



# UNOFFICIAL COPY

## EXHIBIT A LEGAL DESCRIPTION

### Robert Taylor Homes Off-Site Rental Development Phase C-2

#### Tract 1:

Lots 1 through 7, both inclusive, in Legends Wabash (a resubdivision of the south 40 feet of Lot 2 and Lots 3, 4, 5, 6, 7, and 8 (except that part taken for the widening of Wabash Avenue) in Block 10 of Pryor and Hopkins Subdivision of the West ½ of the Northwest ¼ of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois), according to the plat thereof, recorded November 14, 2007 as document number 0731803070, in Cook County, Illinois.

#### PINs:

20-03-118-017	20-03-118-016	20-03-118-022
20-03-118-013	20-03-118-019	20-03-118-023
20-03-118-014	20-03-118-020	20-03-118-024
20-03-118-015	20-03-118-021	20-03-118-033

Commonly known as the following addresses, all in Chicago, Illinois:

4206 S. Wabash Ave.	4226 S. Wabash Ave.
4208 S. Wabash Ave.	4228 S. Wabash Ave.
4210 S. Wabash Ave.	4230 S. Wabash Ave.
4216 S. Wabash Ave.	4236 S. Wabash Ave.
4220 S. Wabash Ave.	

#### Tract 2:

Lots 1 through 9, both inclusive, in Legends 4100 Prairie (a resubdivision of Lots 1 through 13, both inclusive, in Owner's Subdivision of Lots 13 through 24, both inclusive, in Andrew's Subdivision of the Northwest ¼ of the Southeast ¼ of the Northwest ¼ of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois), according to the plat thereof, recorded November 14, 2007 as document number 0731803069, in Cook County, Illinois.

#### PINs:

20-03-115-019	20-03-115-022	20-03-115-029
20-03-115-020	20-03-115-023	20-03-115-032
20-03-115-021	20-03-115-026	20-03-115-033
20-03-115-034		

Commonly known as the following addresses, all in Chicago, Illinois:

223 E. 41st Street	4122 S. Prairie Ave.
225 E. 41st Street	4128 S. Prairie Ave.
4108 S. Prairie Ave.	4132 S. Prairie Ave.
4112 S. Prairie Ave.	4134 S. Prairie Ave.
4116 S. Prairie Ave.	4136 S. Prairie Ave.
4118 S. Prairie Ave.	4142 S. Prairie Ave.
4120 S. Prairie Ave.	4148 S. Prairie Ave.

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**Tract 3:**

Lots 1, 2, 3 and 4 in Legends Indiana (a resubdivision of Lots 1 through 5, both inclusive, in Block 1 of Pryor and Hopkins Subdivision of the West ½ of the Northwest ¼ of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois), according to the plat thereof, recorded November 14, 2007 as document number 0731803068, in Cook County, Illinois.

PINs:

20-03-102-024

20-03-102-025

Commonly known as the following addresses, all in Chicago, Illinois:

123 E. Pershing Road

125 E. Pershing Road

3908 S. Indiana Ave.

3912 S. Indiana Ave.

3916 S. Indiana Ave.

3920 S. Indiana Ave.

**Tract 4:**

Lot 1 in Legends 4200 Prairie (a resubdivision of Lot 5 (except the north 1 ¼ inches thereof), all of Lots 6 and 7 and the North ½ of Lot 8 in Broad's Subdivision of the West 2/3 of the Southwest ¼ of the Southeast ¼ of the Northwest ¼ of Section 3, Township 38 North, Range 14 East of the Third Principal Meridian, in Cook County, Illinois), according to the plat thereof, recorded November 14, 2007 as document number 0731803067, in Cook County, Illinois.

PINs:

20-03-121-026

20-03-121-040

Commonly known as the following addresses, all in Chicago, Illinois:

4220 S. Prairie Ave.

4222 S. Prairie Ave.

4224 S. Prairie Ave.

4226 S. Prairie Ave.

4228 S. Prairie Ave.

4230 S. Prairie Ave.

4232 S. Prairie Ave.

4234 S. Prairie Ave.

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## EXHIBIT B

### PERMITTED TITLE EXCEPTIONS

1. General real estate taxes not delinquent.
2. The Ground Lease.
3. The Declaration of Restrictive Covenants.
4. The R&O Agreement, except to the extent released by CHA.
5. Easements of record, affecting the common elements only, that have been consented to by CHA under the Ground Lease.
6. Then existing residential leases, for terms not in excess of one year, that have been entered into in accordance with the R&O Agreement.