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Doc#: 1227922023 Fee: \$96.00
Eugene "Gene" Moore RHSP Fee: \$10.00
Cook County Recorder of Deeds
Date: 10/05/2012 08:56 AM Pg: 1 of 30

Prepared by:

Eva Garrett, Esq.
Mercy Portfolio Services
120 South LaSalle Street, Ste 1850
Chicago, Illinois 60603

After recording return to:

Sweta Shah, Esq.
City of Chicago Department of Law
City Hall, Room 600
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220-222 S Lotus Avenue
PIN: 16-16-106-046-0000

ASSIGNMENT, ASSUMPTION AND AMENDMENT OF DOCUMENTS

THIS ASSIGNMENT, ASSUMPTION AND AMENDMENT OF DOCUMENTS (this "Assignment") is made as of September 22, 2012 by and between Mercy Portfolio Services, a Colorado non-profit corporation ("MPS"), MPS Community I, LLC, an Illinois limited liability company (the "Assignor"), Karry L. Young Development, LLC, an Illinois limited liability company (the "Assignee"), and the City of Chicago, an Illinois municipal corporation and home rule unit of government (the "City") (collectively, the "Parties").

It is expressly anticipated by the Parties hereto that the Assignor will convey the Property (as hereinafter defined) and assign the indebtedness evidenced by the Note (as hereinafter defined) to the Assignee, and that thereafter the Assignee will be bound by all the obligations of the Assignor under the documents described in this Assignment.

RECITALS

WHEREAS The City has or will receive certain funds in the approximate amount of \$55,238,017 and \$98,008,384, and \$15,996,360 (collectively, the "**Program Funds**") from the United States Department of Housing and Urban Development ("**HUD**") pursuant to the provisions of the Housing and Economic Recovery Act of 2008, Public Law 110-289 – July 30, 2008, Title III – Emergency Assistance for the Redevelopment of Abandoned and Foreclosed Homes, Section 2301 et seq. ("**HERA**"), as amended by the American Recovery and Reinvestment Act of 2009, H.R.1 (the "**Recovery Act**"), as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, H.R. 4173 (the "**Dodd-Frank Act**"), as the same may be hereafter amended, restated or supplemented from time to time ((HERA, the Recovery Act and the Dodd-Frank Act are collectively referred to as the "**Act**"); the Notice of Allocations, Application Procedures, Regulatory Waivers Granted to and Alternative Requirements for

8890837 (all done)

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Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes Developers under the Housing and Economic Recovery Act, 2008 issued by HUD and found at the Federal Register/Vol. 73, No. 194/Monday, October 6, 2008/Notices, as the same may be hereafter amended, restated or supplemented from time to time; the Notice of Fund Availability for the Neighborhood Stabilization Program² under the Recovery Act (Docket No. FR-5321-N-01, May 4, 2009), the Notice of Fund Availability for Fiscal year 2009 NSP² Program under the Recovery Act, Correction (Docket No. FR-5321-C-02, June 11, 2009; Docket No. FR-5321-C-03, November 9, 2009, Docket No. FR-5321-C-04, and Docket No. FR-5321-N-04); the Notice of Formula Allocations and Program Requirements for Neighborhood Stabilization Program Formula Grants (Docket No. FR-5447-N-01, October 19, 2010 (the "NOFA"); and the HUD regulations at 24 CFR Part 570 (as modified by the NOFA as now in effect and as may be amended from time to time) (collectively, the "Regulations"); and

WHEREAS, The City has submitted to HUD, and HUD has approved, the City's NSP1 Substantial Amendment application to HUD, NSP2 application to HUD and NSP3 Substantial Amendment to HUD governing the City's use of the Program Funds in a City neighborhood stabilization program (the "Program") in accordance with the Act and the Regulations to address the critical impact of increasing numbers of foreclosed properties within the City of Chicago. Pursuant to such approval, the City and HUD have entered into that certain Grant Agreement dated effective as of March 27, 2009, that certain Funding Approval and Grant Agreement signed on February 11, 2010, and that certain Funding Approval and Grant Agreement dated effective as of March 17, 2011 (collectively, the "Grant Agreement"). The Act, the Regulations, and the Grant Agreement are collectively referred to herein as the "NSP Legal Requirements"; and

WHEREAS, The City and MPS, have entered into that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program dated as of June 30, 2009, that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program 2 dated as of July 1, 2010, and that certain Agreement Between The City of Chicago and Mercy Portfolio Services For Neighborhood Stabilization Program 3 dated as of September 1, 2011 (collectively, the "Subgrant Agreement"), pursuant to which the City has agreed to make the Program Funds available to MPS for Eligible Activities subject to the terms and conditions of such Subgrant Agreement; and

WHEREAS, Assignor is the Developer under that certain Redevelopment Agreement by and among Assignor, MPS and the City, dated as of November 6, 2009 as the same may be amended, supplemented and restated from time to time ("the "Redevelopment Agreement"); and

WHEREAS, Assignor is the Developer under that certain First Amended and Restated Redevelopment Agreement by and among Assignor, MPS and the City, dated as of even date herewith which supersedes and replaces the Original Redevelopment Agreement ("the "Amended Redevelopment Agreement"); and

WHEREAS, pursuant to the Amended Redevelopment Agreement, MPS agreed to provide Program Funds in the form of a loan in the principal amount of \$730,973 (the "Loan") to the Assignor to be used in connection with the acquisition, rehabilitation and/or construction of the Property legally described on Exhibit A attached hereto, which is improved with the improvements described thereon (the "Property"); and

WHEREAS, to evidence the Loan the Assignor executed and delivered a promissory note in the principal amount of the Loan, dated as of November 6, 2009 and made payable to MPS. Such note,

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together with any and all amendments or supplements thereto, extensions thereof and notes which may be taken in whole or partial renewal, substitution or extension thereof, shall be called the "Note;" and

WHEREAS, to secure its obligations under the Note and the Amended Redevelopment Agreement, Assignor granted to MPS that certain Mortgage, Security Agreement and Financing Statement, dated as of November 6, 2009, as the same may be amended, supplemented and restated from time to time (the "Mortgage"); and

WHEREAS, as additional security for its obligations under the Note and the Amended Redevelopment Agreement, the Assignor executed and delivered to MPS that certain Assignment of Rents and Leases, dated as of November 6, 2009, as the same may be amended, supplemented and restated from time to time (the "Assignment of Rents"); and

WHEREAS, pursuant to that certain Assignment of Mortgage and Documents (the "Assignment of Mortgage"), dated as of November 6, 2009, MPS assigned to the City all of the right, title and interest of MPS in and to the Note, together with all indebtedness evidenced thereunder, and further granted, transferred and assigned to the City all of the right, title and interest of MPS in and to the Amended Redevelopment Agreement, the Mortgage, and the Assignment of Rents; and

WHEREAS, the City is the present, sole legal and equitable owner and holder of the Note; and

WHEREAS, the Assignor, MPS and the City have entered into that certain Regulatory Agreement in connection with the operation of the Property, dated as of November 6, 2009 as the same may be amended, supplemented and restated from time to time (the "Original Regulatory Agreement"); and

WHEREAS, Assignor, MPS, and the City have entered into that certain First Amended and Restated Regulatory Agreement dated as of even date herewith, which supersedes and replaces the Original Regulatory Agreement (the "Amended Regulatory Agreement"); and

WHEREAS, the Original Regulatory Agreement was recorded in the Office of the Recorder of Deeds of Cook County, Illinois (the "Recorder's Office") on December 3, 2009 as Document No. 0933740039; the Original Redevelopment Agreement was recorded in the Recorder's Office on December 3, 2009 as Document No. 0933740040; the Mortgage was recorded in the Recorder's Office on December 3, 2009 as Document No. 0933740041; the Assignment of Rents was recorded in the Recorder's Office on December 3, 2009 as Document No. 0933740044; the Assignment of Mortgage was recorded in the Recorder's Office on December 3, 2009 as Document No. 0933740043; the Amended Regulatory Agreement was recorded in the Recorder's Office on 10/2, 2012 as Document No. 1227622019; and the Amended Redevelopment Agreement was recorded in the Recorder's Office on 10/2, 2012 as Document No. 1227622020; and

WHEREAS, pursuant to the Redevelopment Agreement, the Assignor has acquired the Property; and

WHEREAS, the Redevelopment Agreement contemplates that upon acquisition of the Property by the Assignor, the Assignor and the City shall identify a Participating Entity (as defined therein) which shall rehabilitate the Property and, upon such identification, the Assignor shall convey the Property to such Participating Entity, which shall thereafter complete the rehabilitation work specified in the Redevelopment Agreement and in the Exhibits attached thereto; and

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WHEREAS, the Redevelopment Agreement further contemplates that concurrently with the conveyance of the Property to such Participating Entity, the Assignor shall assign the indebtedness evidenced by the Note to such Participating Entity, and thereafter such Participating Entity shall be bound by all of Assignor's obligations thereunder; and

WHEREAS, Assignor and the City have identified Assignee as such Participating Entity; and

WHEREAS, Assignor now desires to assign to Assignee, and Assignee desires to assume from Assignor, all of Assignor's rights and obligations under the Amended Redevelopment Agreement, the Amended Regulatory Agreement, the Note, the Mortgage, and the Assignment of Rents, subject to the terms and conditions of this Assignment ; and

WHEREAS, the Parties now desire to execute this Assignment to effect such assignment and assumption; to amend the Original Redevelopment Agreement, the Original Regulatory Agreement, the Note, the Mortgage, the Assignment of Mortgage and the Assignment of Rents; and to further amend the Amended Redevelopment Agreement and the Amended Regulatory Agreement as set forth herein.

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. The Assignor hereby grants, transfers and assigns to the Assignee all of the obligations under and rights, title, and interest of the Assignor in and to the Note, together with all sums of money due and payable thereunder, and hereby further grants, transfers and assigns to the Assignee all of the obligations under and rights, title, and interest of the Assignor in and to the Amended Redevelopment Agreement, the Amended Regulatory Agreement, the Mortgage and the Assignment of Rents. (Collectively, the Note, the Amended Redevelopment Agreement, the Amended Regulatory Agreement, the Mortgage, and the Assignment of Rents are hereinafter referred to as the "Loan Documents").
2. In conjunction with the assignment of the Amended Redevelopment Agreement, the Assignor hereby assigns to the Assignee all of the Assignor's right, title and interest in the Assignor's title to the Property which the Assignor is conveying to the Assignee by its special warranty deed concurrently with the execution and recording of this Assignment.
3. The Assignee hereby accepts such assignment and agrees to fully assume all of the obligations of the Assignor under the Loan Documents.
4. The Assignor hereby covenants and represents that (i) the Assignor has full right and title to assign all of the Loan Documents to the Assignee; and (ii) no other assignment of any interest herein has been made.
5. Recital M of the Amended Redevelopment Agreement is hereby amended by deleting the reference to "a to-be-identified lender" and replacing it with "Chicago Community Loan Fund."
6. Section 8 of the Amended Redevelopment Agreement is hereby amended by deleting the first sentence in its entirety and replacing it with the following: "The Developer shall commence the Required Work for the NSP Property promptly upon acquiring title to such property and shall thereafter diligently proceed to complete such Required Work and lease all units in the building within eight (8) months of such acquisition date (this requirement shall not apply to MPS LLC with respect to the NSP Property that is to be conveyed to a Participating Entity for rehabilitation or construction)."

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7. Section 23 of the Amended Redevelopment Agreement is hereby amended by removing each reference to “MPS LLC.” Section 23 of the Amended Redevelopment Agreement is hereby further amended by adding the following: “If to the Developer: Karry L. Young Development, LLC, 1310 East 75th St., Suite 2, Chicago, IL 60619; Attention: Karry L. Young, with a copy to Thomas M. Breen, Attorney at Law; 619 South Addison Road; Addison, Illinois 60101; Attention: Thomas Breen.”
8. Exhibit A to the Amended Redevelopment Agreement is hereby deleted in its entirety and new Exhibit A, attached hereto and made a part hereof, is substituted in its place.
9. Exhibit C to the Amended Redevelopment Agreement is hereby deleted in its entirety and new Exhibit C, attached hereto as Exhibit B and made a part hereof, is substituted in its place.
10. Exhibit D to the Amended Redevelopment Agreement is hereby deleted in its entirety and new Exhibit D, attached hereto as Exhibit C and made a part hereof, is substituted in its place.
11. Exhibit B to the Amended Regulatory Agreement is hereby deleted in its entirety and new Exhibit B to the Amended Regulatory Agreement, attached hereto as Exhibit D and made a part hereof, is substituted in its place.
12. Exhibit C to the Amended Regulatory Agreement is hereby deleted in its entirety and new Exhibit C to the Amended Regulatory Agreement attached hereto as Exhibit E and made a part hereof, is substituted in its place.
13. Exhibit E to the Amended Regulatory Agreement is hereby amended as follows: Each reference to “MPS Community I, LLC” is deleted and replaced with “Karry L. Young Development, LLC.”
14. Exhibit F to the Amended Regulatory Agreement is hereby amended by inserting the following: “Electricity, Cooking Gas, and Heat.”
15. Section 10 of the Mortgage is hereby amended by deleting section (vi) and replacing it with the words “[intentionally omitted]”.
16. Section 36 of the Mortgage is hereby amended by deleting the reference to “\$503,796” and replacing it with “\$1,461,946.”
17. The Mortgage is hereby amended by adding the following language:
- “(39) Subordination.** This Mortgage shall be subject to and subordinate to that certain Senior Construction Loan and to that certain Senior Permanent Loan, as defined in the Redevelopment Agreement, as amended. This Mortgage shall also be subordinate to any subsequent mortgage that refinances the Senior Permanent Loan, so long as such refinancing is in an original principal amount less than or equal to the original principal amount of the Senior Permanent Loan, unless the Mortgagee, in its sole discretion, agrees to senior refinancing in a greater amount.”
18. Exhibit B to the Mortgage is hereby deleted in its entirety and new Exhibit B to the Mortgage, attached hereto as Exhibit F and made a part hereof, is substituted in its place.

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19. The Note is hereby amended by deleting the references to "\$445,646" and replacing each such reference with "\$730,973." The Note is hereby further amended by deleting the reference to "Four Hundred Forty Five Thousand Six Hundred Forty Six Dollars" and replacing it with "Seven Hundred Thirty Thousand Nine Hundred Seventy Three Dollars."

20. The Note is hereby further amended by deleting the repayment terms stated in the first paragraph and replacing them with the following:

"Upon the making of the Senior Permanent Loan (as defined in the hereinafter defined Loan Agreement, as amended) in the amount of \$80,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, the outstanding principal balance of the Note shall be reduced by such amount. The remaining principal balance of \$650,973 shall be forgiven on a pro rata basis, annually, over a period of 15 years from the date hereof (the "Maturity Date"), subject to compliance by the Maker with all the terms and conditions of the Loan Documents; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the Loan may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents."

21. The Assignment of Rents is hereby amended by deleting the reference to "\$445,646" in the second paragraph and replacing it with "\$730,973."

22. The first "Whereas Clause" of the Assignment of Mortgage is hereby deleted and replaced with the first "Whereas Clause" of this Assignment, except that the word "Assignee" shall be used in lieu of the word "City."

23. The second "Whereas Clause" of the Assignment of Mortgage is hereby deleted and replaced with the second "Whereas Clause" of this Assignment, except that the word "Assignee" shall be used in lieu of the word "City."

24. The sixth "Whereas Clause" of the Assignment of Mortgage is hereby deleted and replaced with the third "Whereas Clause" of this Assignment, except that the word "Assignee" shall be used in lieu of the word "City."

25. The Assignment of Mortgage is hereby amended by deleting all references to "\$445,646" and replacing them with "\$730,973."

26. The parties hereto expressly acknowledge that the Loan and the Loan Documents are subordinate to that certain Senior Construction Loan, as defined on Exhibit A of this Assignment, and to that certain Senior Permanent Loan, as defined on Exhibit A of this Assignment, each made by Chicago Community Loan Fund, ("CCLF") to the Assignee in connection with the Project.

27. The parties hereto acknowledge and agree that this Assignment does not constitute a novation of the existing indebtedness under the Loan, but is intended to be an amendment and modification of the Loan Documents. Except as amended hereby, the provisions of the Loan Documents remain in full force and effect and are hereby ratified and confirmed. The Mortgage shall continue to secure repayment of all amounts due under the Note as modified by this Amendment without loss of priority.

28. The City or MPS hereby agrees to use its best efforts to copy CCLF on the notice that it gives the Assignee regarding the City's consent to the start of construction pursuant to Section 10 (xix) of the Mortgage.

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29. The recording of the Amended Regulatory Agreement shall result in no loss of lien priority with respect to the Original Regulatory Agreement.

30. The recording of the Amended Redevelopment Agreement shall result in no loss of lien priority with respect to the Original Redevelopment Agreement.

31. This Assignment applies to and binds the Parties and their respective heirs, administrators, executors, successors and assigns, as well as any subsequent owner of the Property.

32. This Assignment shall be governed as to performance and interpretation in accordance with the internal laws of the State of Illinois.

33. If any provision of this Assignment, or any paragraph, sentence, clause, phrase or word, or the application thereof, in any circumstance, is held invalid, the remainder of this Assignment shall be construed as if such invalid part were never included herein, and this Assignment shall be and remain valid and enforceable to the fullest extent permitted by law.

34. All capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Redevelopment Agreement.

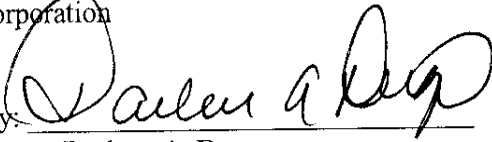
35. This document may be executed in counterparts, which, when taken together, shall constitute one original document.

(SIGNATURE PAGE FOLLOWS)

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IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption and Amendment of Documents as of the day and year first above stated.

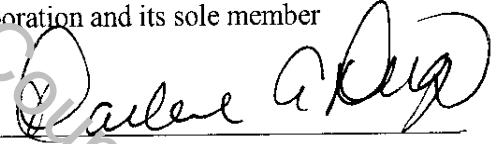
Mercy Portfolio Services, a Colorado non-profit corporation

By: 

Name: Darlene A. Dugo
Title: Vice President

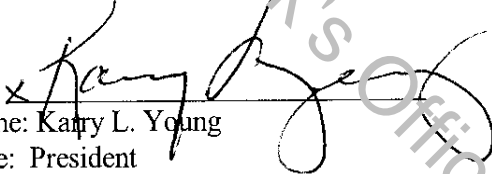
MPS Community I, LLC, an Illinois limited liability company

By: Mercy Portfolio Services, a Colorado non-profit corporation and its sole member

By: 

Name: Darlene A. Dugo
Title: Vice President

Karry L. Young Development, LLC an Illinois limited liability company

By: 

Name: Karry L. Young
Title: President

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By: _____
Name: Andrew J. Mooney
Title: Commissioner

Property of COOK COUNTY CLERK'S OFFICE

UNOFFICIAL COPY

IN WITNESS WHEREOF, the undersigned have executed this Assignment and Assumption and Amendment of Documents as of the day and year first above stated.

Mercy Portfolio Services, a Colorado non-profit corporation

By: _____

Name: Darlene A. Dugo

Title: Vice President

MPS Community I, LLC, an Illinois limited liability company

By: Mercy Portfolio Services, a Colorado non-profit corporation and its sole member

By: _____

Name: Darlene A. Dugo

Title: Vice President

Karry L. Young Development, LLC an Illinois limited liability company

By: _____

Name: Karry L. Young

Title: President

CITY OF CHICAGO, an Illinois municipal corporation, acting by and through its Department of Housing and Economic Development

By: _____

Name: Andrew J. Mooney

Title: Commissioner


Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Holly Kavis, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Darlene A. Dugo, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation, and 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, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27th day of September, 2012.



NOTARY PUBLIC




Property of Cook County Clerk's Office

UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Holly Kavis, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Darlene A. Dugo, personally known to me to be the Vice President of Mercy Portfolio Services, a Colorado non-profit corporation and the sole member of MPS Community I, LLC, an Illinois limited liability company and 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, being first duly sworn by me, acknowledged that he/she signed and delivered the foregoing instrument pursuant to authority given by said company, as his/her free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27th day of September, 2012.



NOTARY PUBLIC



Property of Cook County Clerk's Office

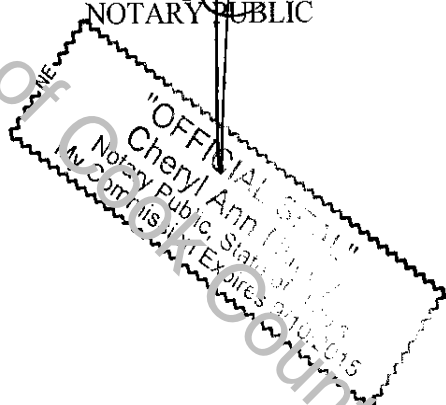
UNOFFICIAL COPY

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Cheryl Ann, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Karry L. Young, personally known to me to be the President of Karry L. Young Development, LLC an Illinois limited liability company, and 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, being first duly sworn by me, acknowledged that he signed and delivered the foregoing instrument pursuant to authority given by said company, as his free and voluntary act and as the free and voluntary act and deed of said company, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 27th day of September, 2012.

Cheryl Ann
NOTARY PUBLIC



Property of Cook County Clerk's Office

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STATE OF ILLINOIS)

) SS.

COUNTY OF COOK)

I, Patricia Sulewski, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago, an Illinois municipal corporation and home rule unit of government, and 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, being first duly sworn by me, acknowledged that, as the Commissioner, he signed and delivered the foregoing instrument pursuant to authority given by the City of Chicago as his free and voluntary act and as the free and voluntary act and deed of the corporation, for the uses and purposes therein set forth.

GIVEN under my notarial seal this 26th day of September, 2012.

Patricia Sulewski
NOTARY PUBLIC



Clerk's Office

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EXHIBIT A

NSP PROPERTY INFORMATION

Legal Description of Land: THE EAST 35 FEET OF LOT 133 IN THE SCHOOL TRUSTEES' SUBDIVISION OF THE NORTH PART OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13 (EXCEPT THE SOUTH 33 FEET OF SAID LOT CONDEMNED FOR STREET BY PROCEEDINGS IN SUPERIOR COURT IN CASE NO. 137607, AND EXCEPT THAT PART TAKEN OR USED FOR ALLEY) IN COOK COUNTY, ILLINOIS, ALSO KNOWN AS LOT 1 IN BLOCK 106 IN THE SUBDIVISION OF LOT 133 AND 152 OF SCHOOL TRUSTEE'S SUBDIVISION OF THE NORTH PART OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS

Common Address: 220-222 South Lotus Avenue, Chicago, IL 60644

PIN: 16-16-106-046-0000

Existing Improvements on the Land: 4-UNIT RESIDENTIAL BUILDING

NSP Acquisition Price: \$59,400

NSP Acquisition Loan Amount for acquisition and holding costs: \$267,973

NSP Rehabilitation Loan: \$463,000

NSP Loan Amount: \$730,973

Permitted Developer's Fee: \$45,002

NSP Total Development Cost: \$730,973

Developer Equity: \$0

Senior Construction Loan: \$463,000

Senior Permanent Loan: \$80,000

Senior Lender: Chicago Community Loan Fund ("CCLF")

Senior Loan Documents: collectively (i) that certain Construction Loan Agreement made by the Assignee in favor of CCLF as of the date hereof, (ii) that certain Construction Loan Mortgage and Security Agreement with Collateral Assignment of Leases and Rents made by the Assignee in favor of CCLF as of the date hereof, (iii) that certain Three Year Adjustable Rate Construction Loan Note made by the Assignee in favor of CCLF as of the date hereof, (iv) that certain Security Agreement and Assignment of Interest in Land Trust made by Assignee in favor of CCLF as of the date hereof; and (v) those certain documents which will evidence the Senior Permanent Loan upon completion of the Project.

Junior Loan: None.

Junior Lender: None.

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Junior Loan Documents: None.

Repayment Terms:

“Upon the making of the Senior Permanent Loan in the amount of \$80,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, the outstanding principal balance of the Note shall be reduced by such amount. The remaining principal balance of \$650,973 shall be forgiven on a pro rata basis, annually, over a period of 15 years from the date hereof (the “Maturity Date”), subject to compliance by the Developer with all the terms and conditions of the Loan Documents; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the Loan may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents.

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EXHIBIT B

(NEW EXHIBIT C TO AMENDED REDEVELOPMENT AGREEMENT)

APPROVED BUDGET

[SEE ATTACHMENTS]

(final term sheet and final owner's sworn statement)

Property of Cook County Clerk's Office



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MPS-NSP Term Sheet Multi-Family

220 S Lotus
4U Residential - NO Commercial
Kary L. Young Development LLC
Land Trust: TBD

Approval by Developer:
Kary L. Young Development LLC

Kary L. Young

Approval by City of Chicago,
Dept. of Housing & Economic Development

Kathryn Edzard

Work to be performed (Rehab or new Construction)

1	59,400	Conf.	220 S Lotus	NA
	208,573	Conf.	"NSP Acquisition Price" per PSA	
2	267,973	Conf.	Plus: holding costs (all costs thru 9/24/12 excluding purchase price)	
3	463,000	Conf.	= "NSP Acquisition Loan Amount" (NSP Acquisition Price plus holding costs)	
			"NSP Redevelopment Cost" (per Lender rehab loan commitment)	
			CCLF	

18
Int. Only

Rehab Loan Term (Months)
Amortization Period (Years)
Rehab Loan Interest Rate (FIXED)

5.000%

4	45,002	Conf.	"Permitted Developer Fee"
5	730,973	Conf.	"NSP Loan Amount" (this is the same as "NSP Total Development Cost")
6	730,973	Conf.	"NSP Total Development Cost" (Sum of "NSP Acquisition Loan Amount" and "NSP Redevelopment Cost")
	80,000	Conf.	Less: Lender permanent loan amount (per Lender perm loan commitment)
			CCLF

5
Permanent Loan Term (Years)
15
Amortization Period (Years)
8.000%
Permanent Loan Interest Rate (FIXED)

Less: Developer Equity
= Amount to remain outstanding and forgiven over term

660,973

Availability/Restriction

Income Qualified AND Rent Restricted at 50% AMI, AND otherwise restricted by Regulatory Agreement

Income Qualified at 120% AMI, AND otherwise restricted per Regulatory Agreement

12m	1m	3m
12,573	1,043	3,143
1,000	3	250
1,000	8	250
2,400	200	500
Total		4,243

4,500 Conf. (Set at 10% of Dev Fee)

Rent and Utility Confirmation to be completed by Developer:									
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	
Unit SF Range	Unit Apts. SF	# Units	50% AMI	120% AMI	D. Est. Rents	Utilities	Landlord P&A	Tenant P&A	
1 Bd/LH									X
1 Bd/LMI	650-750	700	NA	\$1,615	\$700	Cooking Gas Heat (Gas)			X
3 Bd/LH									X
3 Bd/LMI	900-1,100	1,000	NA	\$2,243	\$950	Water			X

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NSP1 Budget and Proforma Updated by MPS 3/1/11

SWORN OWNERS STATEMENT TO TITLE COMPANY

STATE OF Illinois
COUNTY OF Cook

GREEN - DEVELOPER TO INPUT NAME, ADDRESS
YELLOW - INITIAL CLOSING DISBURSEMENT

Draw # _____
Date September 27, 2012
Property 220-222 S. Louisa

The affiant Kerry L. Young being first duly sworn, on oath deposes and says that he is the owner/beneficiary (either one) of Trust No. _____ which is the owner of the following described premises in Cook County 220-222 S. Louisa, Chicago

- That he is thoroughly familiar with all the facts and circumstances concerning the premises described above.
- That the work required to improve the premises has only work done or materials furnished to date and as listed below.
- That the only contracts let for the furnishing of future work or materials relative to the contemplated improvements are as listed below.
- That this statement is a true and complete statement of all such contracts, previous payments and balances due, if any.

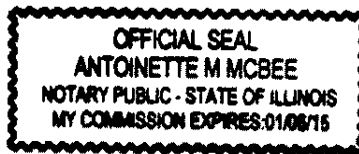
Contractor Name & Address	Work Performed	Amount of Contract	Changes (+/-)	Adjusted Contracts	Amount Paid		Amount Due (Incl. Retainage)
					Previous	This Request	
Kerry L. Young Development 1010 So. Bellwood Ave	General Construction	\$ 271,594	\$ -	\$ 271,594	\$ -	\$ -	\$ 271,594
Kerry L. Young Development 1010 So. Bellwood Ave	Construction Contingency	\$ 23,824	\$ -	\$ 23,824			\$ 23,824
K-2 Studio 320 W. 18th Chicago	Architectural Services - (Developer) - 5% based off Subtotal Hard Costs	\$ 13,580	\$ -	\$ 13,580		\$ 13,580	\$ -
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF Financing Fee - 1% of Total Commitment Amount	\$ 13,890	\$ -	\$ 13,890		\$ 13,890	\$ -
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF Construction Period Interest (paid to date for 3 months)	\$ 5,788	\$ -	\$ 5,788			\$ 5,788
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF Inspection Fee (Initial + Draw, estimated total = \$ 500 each)	\$ 2,500	\$ -	\$ 2,500		\$ 500	\$ 2,000
TBD	MPS Legal Fee - Dev Sale	\$ -	\$ -	\$ -		\$ -	\$ -
Tom Breen 19 So Addison Rd Addison IL	Developer Legal Fee - NSP Program Allowance	\$ 2,500	\$ 47	\$ 2,547		\$ 2,547	\$ -
J.L.S. Insurance 1335 Harrington St-D Schaumburg IL	Builders Liability Insurance During Construction	\$ 3,000	\$ -	\$ 3,000		\$ 1,920	\$ 1,074
J.L.S. Insurance 1335 Harrington St-D Schaumburg IL	Property Insurance After Construction	\$ 1,000	\$ -	\$ 1,000			\$ 900
Kerry L. Young Development 1010 So. Bellwood Ave	Property Security During Construction	\$ 1,000	\$ -	\$ 1,000			\$ 1,000
Kerry L. Young Development 1010 So. Bellwood Ave	Property Security After Construction	\$ 1,200	\$ -	\$ 1,200			\$ 1,200
Kerry L. Young Development 1010 So. Bellwood Ave	Property Maintenance	\$ 1,000	\$ -	\$ 1,000			\$ 1,000
Kerry L. Young Development 1010 So. Bellwood Ave	Utilities - NSP Program Allowance	\$ -	\$ -	\$ -			\$ -
TBD	Lead Risk Assessment	\$ 450	\$ -	\$ 450			\$ 450
TBD	Mold Clearance	\$ -	\$ -	\$ -			\$ -
Synergy Development 28 E. Jackson Blvd.	Blower Door Test	\$ 500	\$ -	\$ 500			\$ 500
MPS	Menu Signage	\$ 300	\$ -	\$ 300			\$ 300
Cook County Treasurer Chicago, IL	Real Estate Taxes 3 years	\$ 12,573	\$ -	\$ 12,573			\$ 7,573
Kerry L. Young Development 1010 So. Bellwood Ave	Soft Cost Contingency	\$ 1,000	\$ (99)	\$ 71			\$ 71
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF RESERVES - Insurance Escrow (6 months)	\$ 450	\$ -	\$ 450			\$ 450
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF RESERVES - Real Estate Tax Escrow (6 months)	\$ 2,098	\$ -	\$ 2,098			\$ 2,098
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF RESERVES - Operating Reserve (equal to 3 months gross rent per CCLF underwriting)	\$ 9,900	\$ -	\$ 9,900			\$ 9,900
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF RESERVES - Repair & Maintenance (equal to 3 months)	\$ 2,673	\$ -	\$ 2,673			\$ 2,673
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF RESERVES - Lease up (equal to 1 month gross rent per CCLF underwriting)	\$ 3,300	\$ -	\$ 3,300			\$ 3,300
Kerry L. Young Development 1010 So. Bellwood Ave	Developer Fee	\$ 45,002	\$ -	\$ 45,002		\$ 6,750	\$ 38,252
Meny Parking Services Chicago, IL	MIS Reserve and additional contingency	\$ 36,462	\$ -	\$ 36,462			\$ 36,462
Chicago Title Co. Chicago IL	MPS Dev. Sale (loan closing costs and title charges)	\$ 2,320	\$ 887.00	\$ 3,207		\$ 3,202	\$ -
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	Property Surveys	\$ 400	\$ -	\$ 400			\$ 400
Chicago Community Loan Fund - 20 E Madison, Chicago, IL	CCLF PERM LOAN FEE	\$ 800	\$ -	\$ 800			\$ 800
TOTAL		\$ 463,000	\$ -	\$ 463,000	\$ -	\$ 42,395	\$ 420,605

THE UNDERSIGNED HEREBY APPROVES THE ABOVE AMOUNTS FOR PAYMENT

Signed: Kerry L. Young
DEVELOPER

Subscribed and sworn to before me this 28th day of September, 20 12

Signed: Antonette M. McBee



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EXHIBIT C

(NEW EXHIBIT D TO AMENDED REDEVELOPMENT AGREEMENT)

CONSTRUCTION SCHEDULE

[SEE ATTACHMENT]

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720 S LOTUS
SEPT OCT NOV DEC JAN 2013

CONSTRUCTION SCHEDULE

WORK	SEPT	OCT	NOV	DEC	JAN 2013
DEMO					
MASONRY					
EXTERIOR CARP					
INTERIOR ROUGH					
WINDOWS					
INTERIOR DOORS					
WOOD FLOORS					
DOORS/LOBBIES					
FENCING					
LANDSCAPE					
CONG/RAMPS					
/ FLATWORK					
ROOFING					
INSULATION					
DRYWALL					
INTERIOR TRIM					
INTERIOR PAINT					
EXTERIOR PAINT					
C - TILE					
CARPET -					
CABINETS/TOPS					
PLUMBING/ROUGH					
/ TRIM					
ELECTRIC/ROUGH					
/ TRIM					
HVAC/ROUGH					
/ EQUIP					
/ TRIM					
WATER SERVICE					
SEWER					
PUNCH LIST					
OCC - CERT					
PAYOUT					
REVIEWS					

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EXHIBIT D

(NEW EXHIBIT B TO AMENDED REGULATORY AGREEMENT)

I. ADDITIONAL DEFINITIONS

"Davis-Bacon Act" shall mean 40 U.S.C. 276a et seq., as the same may be restated, modified or amended from time to time.

"Housing Act Section 3" shall mean Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. Section 1701u.

"HUD Restrictions Termination Date" shall mean the fifteenth anniversary of the Completion Date.

"Illinois Prevailing Wage Act" shall mean 820 ILCS 130 et seq., as the same may be restated, modified or amended from time to time.

"Low-Income Project" shall mean the 0 units in the Project financed with NSP Funds and required to be occupied by Very Low-Income Families.

"NSP Funds" shall mean a loan from Mercy to the Borrower in the principal amount of \$730,973 for financing a portion of the costs of the acquisition and rehabilitation of the Project.

"Project" shall mean the one building located at 220-222 South Lotus Avenue, Chicago, Illinois, and which shall contain, as of the completion of the acquisition and rehabilitation thereof, 4 multi-family residential dwelling units.

"Section 3 Regulations" shall mean 24 C.F.R. Part 135, and such additional regulations, orders, rulings, interpretations and directives in connection with Housing Act Section 3 as may be promulgated or issued by HUD from time to time.

"Senior Lender" shall mean: Chicago Community Loan Fund ("CCLF").

"Senior Loan" shall mean: Collectively, that certain senior construction loan and senior permanent loan from CCLF to the Participating Entity.

"Senior Mortgage" shall mean: That certain Construction Loan Mortgage and Security Agreement with Collateral Assignment of Leases and Rents made by Participating Entity in favor of CCLF as of the date hereof.

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II. ADDITIONAL REPRESENTATIONS AND COVENANTS OF BORROWER.

1. 100 percent of the units in the Low-Income Project shall be occupied by Very-Low Income Families. (N/A)
100 percent of the units in the Project shall be occupied by Eligible-Income Families.
2. (a) The Project shall consist of the following unit configuration:

<u>Number of Bedrooms</u>	<u>Number of Units</u>	<u>Initial Rents</u>
1/unit	2	\$700
3/unit	2	\$950

(b) The Low-Income Project shall consist initially of the following unit configuration for Very Low-Income Families: (N/A)

(c) The Project shall consist of the following square footage:

<u>Unit Size</u>	<u>Square Footage Range</u>	<u>Average Square Footage</u>
1Bdrm Unit	650-750	700
3Bdrm Unit	900-1,100	1,000

(d) The Low-Income Project shall consist of the following square footage (N/A)

<u>Unit Size</u>	<u>Square Footage Range</u>	<u>Average Square Footage</u>
------------------	-----------------------------	-------------------------------

3. Wage Rates. The Project shall comply with the Illinois Prevailing Wage Act and the Davis-Bacon Act, as applicable. Mercy shall provide the applicable wage determination to the Borrower prior to commencement of the Required Work.

4. The Project shall be acquired and rehabilitated in accordance with the Construction Schedule, and an Approved Budget, as required in the Redevelopment Agreement, and any change orders to be hereafter approved by Mercy and the City.

5. For purposes of Section 12, the Borrower's address shall be:

Karry L. Young Development, LLC
1310 East 75th Street, Suite 2
Chicago, IL 60619
Attention: Karry L. Young

6. (a) The work to be performed in connection with the Project is subject to the requirements of Housing Act Section 3. The purpose of Housing Act Section 3 is to ensure that employment and other

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economic opportunities generated by HUD assistance or HUD-assisted projects covered by Housing Act Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income individuals, particularly individuals who are recipients of HUD assistance for housing.

(b) The Borrower hereby agrees to comply with the Section 3 Regulations in connection with the Project. As evidenced by its execution of this Regulatory Agreement, the Borrower hereby certifies that it is under no contractual or other impediment that would prevent the Borrower from complying with the Section 3 Regulations in connection with the Project.

(c) The Borrower hereby agrees to (1) send to each labor organization or representative of workers with which the Borrower has a collective bargaining agreement or other understanding, if any, and which concerns workers whose positions are subject to compliance with the Section 3 Regulations in connection with the Project, a notice advising the labor organization or workers' representative of the Borrower's commitments under this Section, and (2) post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Housing Act Section 3 preference and shall set forth: (i) the minimum number of jobs and job titles subject to hire, the availability of apprenticeship and training positions, and the qualifications for each; (ii) the name and location of the Person(s) taking applications for each of the positions; and (iii) the anticipated date the work shall begin.

(d) The Borrower hereby agrees to (1) include the language contained in this Section in every contract entered into by the Borrower in connection with the Project and subject to compliance with the Section 3 Regulations, including the Construction Contract, and (2) take appropriate action, as provided in an applicable provision of such contract or in this Section, upon a finding that any Person with whom the Borrower contracts, including the General Contractor, is in violation of the Section 3 Regulations. The Borrower covenants and agrees that the Borrower shall not contract with any Person in connection with the Project where the Borrower has notice or knowledge that such Person has been found in violation of the Section 3 Regulations.

(e) The Borrower agrees to cause the General Contractor to (1) include the language contained in this Section in every subcontract subject to compliance with the Section 3 Regulations, and (2) take appropriate action, as provided in an applicable provision of such Subcontract or in this Section, upon a finding that any subcontractor with whom the General Contractor contracts is in violation of the Section 3 Regulations. The Borrower shall cause the General Contractor to agree that the General Contractor shall not subcontract with any Person where the General Contractor has notice or knowledge that such Person has been found in violation of the Section 3 Regulations.

(f) The Borrower hereby certifies that any vacant employment positions in connection with the Project, including training positions, that were filled prior to the Closing Date and with Persons other than those to whom the Section 3 Regulations require employment opportunities to be directed, were not filled to circumvent the Borrower's obligations under the Section 3 Regulations.

(g) Noncompliance with the Section 3 Regulations may result in sanctions, including, but not limited to, the declaration by Mercy and/or the City of an event of default under the Documents and the exercise by Mercy and/or the City of its remedies thereunder, as well as debarment or suspension from future HUD-assisted contracts.

(h) The Borrower acknowledges receipt from Mercy of a copy of the City of Chicago Section 3 Compliance Plan booklet (the "Booklet"). The Borrower agrees to complete or cause to be completed, as applicable, those forms contained in the Booklet as requested by Mercy or the City and to submit such forms Mercy or to the City promptly upon Mercy or the City's request. The Borrower hereby represents

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and warrants to Mercy and the City that all such forms heretofore submitted by or on behalf of the Borrower are true and correct. The Borrower hereby covenants to Mercy and the City that all such forms hereafter submitted by the Borrower shall be true and correct, and that work on the Project shall be carried out in accordance with the existing employee list (with respect to number of employees and job classifications only), hiring plan, training plan, contracting plan and compliance effort narrative, as applicable, as submitted by the Borrower to Mercy and the City, unless otherwise agreed to in writing by Mercy and/or the City.

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EXHIBIT E


(NEW EXHIBIT C TO AMENDED REGULATORY AGREEMENT)

USE OF NSP FUNDS

[SEE ATTACHMENTS]

Acquisition and rehabilitation of the Property in accordance with final plans and specifications to be approved by Mercy and the City as the Required Work under the Redevelopment Agreement, the Construction Schedule, and the Approved Budget.

Property of Cook County Clerk's Office

A large, stylized handwritten signature in black ink is centered on the page. The signature is highly cursive and overlaps with the diagonal watermark text.

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NSP1 Budget and Proforma Updated by MPS 3/1/11

**Borrower's Statement
TO TITLE COMPANY**

STATE OF Illinois)
COUNTY OF Cook) ss:

Enter # _____
Draw # _____
Date September 27, 2012
Property 230-232 S Lohan

GREEN - DEVELOPER TO INPUT NAME, ADDRESS
YELLOW - INITIAL CLOSING DISBURSEMENT

The affiant Kerry L. Young being first duly sworn, on oath deposes and says that he is the "owner/borrower" (take any) of Trust No _____ held by _____ which is the owner of the following described premises in Cook County, Illinois: 230-232 S. Lohan, Chicago

- 1 That he is thoroughly familiar with all the facts and circumstances concerning the premises described above
- 2 That with respect to improvements on the premises the only work, done or materials furnished to date are as listed below.
- 3 That the only contracts set for the knowledge of future work or materials relative to the contemplated improvements are as listed below.
- 4 That the statement is a true and complete statement of all such contracts, previous payments and balance due, if any.

Contractor Name & Address	Work Performed	Amount of Contract	Changes (+/-)	Adjusted Contracts	Previous	Amount Paid	Amount Due	Amount to
								Become Due (incl. Retainage)
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	General Construction	\$ 271,584	\$ -	\$ 271,584	\$ -	\$ -	\$ -	\$ 271,584
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Construction Contingency	\$ 23,824	\$ -	\$ 23,824	\$ -	\$ -	\$ -	\$ 23,824
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Architectural Services (Developer) - 5% based off Subtotal Hard Costs	\$ 13,580	\$ -	\$ 13,580	\$ -	\$ -	\$ 13,580	\$ -
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF Financing Fee - 3% of Loan Commitment Amount	\$ 13,890	\$ -	\$ 13,890	\$ -	\$ -	\$ 13,890	\$ -
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF Construction Performance Fee (1 month)	\$ 5,788	\$ -	\$ 5,788	\$ -	\$ -	\$ -	\$ 5,788
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF Construction Performance Fee (1 month)	\$ 2,500	\$ -	\$ 2,500	\$ -	\$ 500	\$ -	\$ 2,000
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF Inspection Fee (Initial) - Draw, estimate, etc. @ \$500 each	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tom Breen 18 So Addison Rd Addison, IL	MPS Legal Fee - Dev Sale	\$ 2,500	\$ 47	\$ 2,547	\$ -	\$ -	\$ 2,547	\$ -
J.A.B. Insurance 1335 Remington St-D Schauenburg, IL	Developer Legal Fee - NSP Program Allowance	\$ 3,000	\$ -	\$ 3,000	\$ -	\$ 1,928	\$ -	\$ 1,072
J.A.B. Insurance 1335 Remington St-D Schauenburg, IL	Builders Liability Insurance During Construction	\$ 900	\$ -	\$ 900	\$ -	\$ -	\$ -	\$ 900
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Property Insurance After Construction	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Property Security During Construction	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Property Security After Construction	\$ 1,200	\$ -	\$ 1,200	\$ -	\$ -	\$ -	\$ 1,200
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Property Maintenance	\$ 1,000	\$ -	\$ 1,000	\$ -	\$ -	\$ -	\$ 1,000
Chicago Community Loan Fund 29 E Madison, Chicago, IL	Utilities - NSP Program Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Lead Risk Assessment	\$ 450	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ 450
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Lead Paint Clearance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD	Mold Clearance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Synergy Development 28 E Madison Blvd. Chicago, IL	Blower Door Test	\$ 500	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ 500
MPS	Merry Signage	\$ 300	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ 300
Cook County Treasurer Chicago, IL	Real Estate Taxes 3 years	\$ 12,573	\$ -	\$ 12,573	\$ -	\$ -	\$ -	\$ 12,573
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Soft Cost Contingency	\$ 1,000	\$ (978)	\$ 71	\$ -	\$ -	\$ -	\$ 71
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF RESERVES - Insurance Escrow (6 months)	\$ 450	\$ -	\$ 450	\$ -	\$ -	\$ -	\$ 450
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF RESERVES - Real Estate Tax Escrow (6 months)	\$ 2,098	\$ -	\$ 2,098	\$ -	\$ -	\$ -	\$ 2,098
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF RESERVES - Operating Reserve (equal to 3 months gross rent per CCLF underwriting)	\$ 9,900	\$ -	\$ 9,900	\$ -	\$ -	\$ -	\$ 9,900
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF RESERVES - Repair & Maintenance (equal to 1 month)	\$ 2,673	\$ -	\$ 2,673	\$ -	\$ -	\$ -	\$ 2,673
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF RESERVES - Lease-up (equal to 1 month gross rent per CCLF underwriting)	\$ 3,300	\$ -	\$ 3,300	\$ -	\$ -	\$ -	\$ 3,300
Kerry L. Young Development 1040 So. Belmont Ave Chicago, IL	Developer Fee	\$ 45,002	\$ -	\$ 45,002	\$ -	\$ 6,750	\$ -	\$ 38,252
Merry Portfolio Services	MPS Reserve and additional contingency	\$ 38,462	\$ -	\$ 38,462	\$ -	\$ -	\$ -	\$ 38,462
Chicago Title Co. Chicago, IL	MPS Dev. Sale (loan closing costs and title charges)	\$ 2,320	\$ 827.00	\$ 3,202	\$ -	\$ -	\$ 3,202	\$ -
Chicago Community Loan Fund 29 E Madison, Chicago, IL	Property Surveys	\$ 400	\$ -	\$ 400	\$ -	\$ -	\$ -	\$ 400
Chicago Community Loan Fund 29 E Madison, Chicago, IL	CCLF PERM LOAN FEE	\$ 800	\$ -	\$ 800	\$ -	\$ -	\$ -	\$ 800
TOTAL		\$ 483,000	\$ -	\$ 483,000	\$ -	\$ 42,395	\$ -	\$ 420,605

THE UNDERSIGNED HEREBY APPROVES THE ABOVE AMOUNTS FOR PAYMENT

Signed: Kerry L. Young
DEVELOPER

Subscribed and sworn to before me this 28th day of September, 2012

Signed: Antoinette M. McBee



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720 S. LOTUS

JAN 2013

DEC

NOV

OCT

SEPT

CONSTRUCTION SCHEDULE

WORK	SEPT	OCT	NOV	DEC	JAN 2013
DEMO					
MASONRY					
EXTERIOR CARP					
INTERIOR ROUGH					
WINDOWS					
INTERIOR DOORS					
WOOD FLOORS					
DOORS / LOBBIES					
FENCING					
LANDSCAPE					
CONC / RAMPS					
/ FLATWORK					
ROOFING					
INSULATION					
DRYWALL					
INTERIOR TRIM					
INTERIOR PAINT					
EXTERIOR PAINT					
C - TILE					
CARPET					
CABINETS / TOPS					
PLUMBING / ROUGH					
/ TRIM					
ELECTRIC / ROUGH					
/ TRIM					
HVAC / ROUGH					
/ EQUIP					
/ TRIM					
WATER SERVICE					
SEWER					
PUNCH LIST					
OCC - CERT					
PAYOUT					
REVIEWS					

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220 S Lotus
 4u Residential - NO Commercial
 Kerry L. Young Development LLC
 Land Trust: TBD

Rehab

1	59,400	Conf.	220 S Lotus	NA
	89,400		"NSP Acquisition Price" per PSA	
2	208,973	Conf.		
	208,973		Plus: holding costs (all costs thru 9/24/12 excluding purchase price)	
3	267,973	Conf.		
	267,973		= "NSP Acquisition Loan Amount" (NSP Acquisition Price plus holding costs)	
	463,000	Conf.		
	463,000		"NSP Redevelopment Cost" (per Lender rehab loan commitment)	
4	45,002	Conf.		
	45,002		Rehab Lender	
5	730,973	Conf.		
	730,973		Rehab Loan Term (Months)	
6	730,973	Conf.		
	730,973		Amortization Period (Years)	
	80,000	Conf.		
	80,000		Rehab Loan Interest Rate (FIXED)	
	45,002		"Permitted Developer Fee"	
	730,973		"NSP Loan Amount" (this is the same as "NSP Total Development Cost")	
	730,973		"NSP Total Development Cost" (Sum of "NSP Acquisition Loan Amount" and "NSP Redevelopment Cost")	
	80,000		Leas: Lender permanent loan amount (per Lender perm loan commitment)	

	650,973	Conf.		
	650,973		Permanent Lender	
	4	Conf.		
	4		Permanent Loan Term (Years)	
	660,973		Amortization Period (Years)	
	660,973		Permanent Loan Interest Rate (FIXED)	
	4		Leas: Developer Equity	
	4		= Amount to remain outstanding and forgiven over term	

	4,500	Conf.		
	4,500		Perform Dep.	
	12,573		Real Estate Tax	
	1,000		Insurance	
	1,000		Utilities	
	2,400		Prop Maint	
	4,243		Total	

(Set at 10% of Dev Fee)

**MPS-NSP Term Sheet
 Multi-Family**

Approval by Developer,
 Kerry Young Development LLC

Kerry Young

Approval by City of Chicago,
 Dept. of Housing & Economic Development

Kathryn E. Ludwig

Property of Cook County Clerk's Office

Rent and Utility Confirmation to be completed by Developer									
	Column A Unit SF Range	Column B Unit Avail. SF	Column C # Units	Column D 50% AMI	Column E 120% AMI	Column F D. Est. Rent	Column G Utilities	Column H Landlord Pd.	Column I Tenant Pd.
1 Bldg/H	650-750	700	2	NA	\$1,615	\$700	Elec. Cooking Gas Heat (Gas)		X
3 Bldg/H	900-1,100	1,000	2	NA	\$2,243	\$950	Water		X

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EXHIBIT F

(NEW EXHIBIT B TO MORTGAGE)

1. Address of Mortgagor:
Karry L. Young Development, LLC
1310 E. 75th Street, Suite 2
Chicago, IL 60619
Attention: Karry L. Young
2. Interest Rate on Note: Zero percent per annum
3. [Intentionally Omitted]
4. Principal Amount of Note: \$730,973
5. Repayment Terms and Maturity Date of the Loan:

“Upon the making of the Senior Permanent Loan (as defined in the Redevelopment Agreement) in the amount of \$80,000, or such lesser amount as reflects the actual amount of the Senior Permanent Loan, the outstanding principal balance of the Note shall be reduced by such amount. The remaining principal balance of \$650,973 shall be forgiven on a pro rata basis, annually, over a period of 15 years from the date hereof (the “Maturity Date”), subject to compliance by the Mortgagor with all the terms and conditions of the Loan Documents; provided, however, that the term Maturity Date shall also mean such earlier date as of which the principal of the Loan may become due and payable because of acceleration or prepayment as provided in any of the Loan Documents.

6. Non-Recourse Provisions:

(a) Notwithstanding Section 37 of the Mortgage, nothing herein or in any of the Loan Documents shall limit the rights of Mortgagee, following any of the events hereinafter described, to take any action as may be necessary or desirable to pursue Mortgagor, Member, if any, and/or Owner, if any, for any and all Losses incurred by Mortgagee arising from: (i) a material misrepresentation, fraud made in writing or misappropriation of funds by Mortgagor, Member, if any, and/or Owner, if any; (ii) intentional or material waste to the Premises; (iii) use of proceeds of the indebtedness evidenced by the Note for costs other than Eligible Costs; (iv) the occurrence of a Prohibited Transfer without Mortgagee's prior written consent, to the extent such Prohibited Transfer results from the intentional, willful, voluntary and/or negligent acts or omissions of Mortgagor, Member, if any, and/or Owner, if any; (v) any breach of Mortgagor's representations, warranties or covenants regarding hazardous materials or environmental laws contained in any of the Loan Documents; (vi) the occurrence of any uninsured casualty to the Premises or other collateral or security provided under any of the Loan Documents for which there has been a failure to maintain insurance coverage as required by the terms and provisions of the Loan Documents; (vii) the misappropriation or misapplication of insurance proceeds or condemnation awards relating to the Premises or other collateral or security provided under any of the Loan Documents; or (viii) any inaccuracy in the statements in the Affidavits.

(b) Notwithstanding Section 37 of the Mortgage, nothing herein or in any of the Loan Documents shall limit the right of Mortgagee to assert liability against Mortgagor, Member, if any, and/or Owner, if any, for the repayment of the Loan in the amount described in the Loan Agreement in the event of a breach by Mortgagor of the requirements set forth in Sections 2.4, 2.5, 2.6, or 2.10 of the Regulatory

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Agreement as modified by Section 2.7 of the Regulatory Agreement, but only to the extent that such breach results in a demand by HUD on Mortgagee or the City of Chicago for repayment of the Loan in whole or in part, and only to the extent that as a result of such demand, Mortgagee or the City of Chicago are legally obligated to make such payment to HUD. Such payment may be made either by a direct payment from Mortgagee or the City of Chicago to HUD or by a deduction by HUD from other monies allocated or to be allocated to Mortgagee or the City of Chicago by HUD. If Mortgagee so chooses, Mortgagee shall pursue a diligent contest of any such demand by HUD, but shall not be required to pursue the matter any further than reasonably prudent, as determined by Mortgagee. Mortgagor agrees to pay, as a recourse obligation of Mortgagor, all attorneys', experts' and consulting fees and disbursements and expenses incurred in connection with any such contest.

(c) Mortgagee waives any and all right to seek or demand any personal deficiency judgment against Mortgagor, in conjunction with a foreclosure proceeding, under or by reason of any of the non-recourse monetary obligations of Mortgagor; provided, however, that the foregoing shall not limit or affect Mortgagee's right to sue or otherwise seek recourse against Mortgagor, Member, if any, and/or Owner, if any, in any separate action or proceeding for all Losses incurred by Mortgagee arising from any of the matters described in the foregoing paragraphs of this Section 6.