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**REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS**

by and among

**CHURCHVIEW MANOR PRESERVATION L.P.,
an Illinois limited partnership,**

and

**CITY OF CHICAGO,
a municipality and home rule unit of government duly organized
and validly existing under the Constitution and the laws
of the State of Illinois,**

and

**SEAWAY BANK AND TRUST COMPANY,
as Trustee under the Indenture for the following Bonds:**

**City of Chicago
\$3,700,000 Variable Rate Demand
Multi-Family Housing Revenue Bonds
(Churchview Manor Senior Apartments), Series 2012**

Dated as of October 1, 2012

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REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

THIS REGULATORY AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS, dated as of October 1, 2012 (this "**Agreement**"), is entered into by and among CHURCHVIEW MANOR PRESERVATION L.P., an Illinois limited partnership and any approved successor or assignee to its rights and obligations (the "**Borrower**"), SEAWAY BANK AND TRUST COMPANY, as Trustee (the "**Trustee**") under the Indenture, as defined in this Agreement, and the CITY OF CHICAGO, a municipality and home rule unit of government duly organized and validly existing under the Constitution and the laws of the State of Illinois (the "**Issuer**") under the circumstances summarized in the following recitals.

WITNESSETH:

WHEREAS, the City of Chicago (the "**Issuer**") has authorized the issuance of its Variable Rate Demand Multi-Family Housing Revenue Bonds (Churchview Manor Senior Apartments), Series 2012 (the "**Bonds**"), in order to finance a portion of the costs of acquiring, rehabilitating, constructing and equipping the Development (as defined below) and to pay certain costs of issuing the Bonds; and

WHEREAS, pursuant to a Loan Agreement, dated as of October 1, 2012, among the Issuer, the Trustee and the Borrower (the "**Loan Agreement**"), the proceeds of the Bonds will be loaned (the "**Loan**") to the Borrower to finance a portion of the costs of acquiring, rehabilitating, constructing and equipping the Churchview Manor Senior Apartments, a residential facility for seniors, consisting of approximately 60 units in 1 building on property located at 2626 West 63rd Street in the City of Chicago, Illinois, and legally described on *Exhibit A* to this Agreement (the "**Real Estate**") (the Real Estate and the improvements on the Real Estate related to the housing development are referred to in this Agreement as the "**Development**"); and

WHEREAS, in connection with the Loan, the Borrower has agreed to rent or lease at least 40% of the dwelling units in the Development to families or individuals whose income is 60% or less of area median gross income, all for the public purpose of assisting persons of low and moderate income to afford the costs of decent, safe and sanitary housing; and

WHEREAS, the Code and the Regulations (as those terms are defined below) prescribe that the use and operation of the Development be restricted in certain respects in order to assure the continuing tax-exempt status of the interest on the Bonds, and in order to ensure that the Development will be acquired, rehabilitated, constructed, used and operated in accordance with such requirements of the Code, the Regulations and the Act, the Trustee and the Borrower have determined to enter into this Agreement in order to set forth certain terms and conditions relating to the acquisition, rehabilitation, construction, occupancy, use and operation of the Development.

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NOW, THEREFORE, in consideration of the Loan and the mutual covenants and undertakings set forth in this Regulatory Agreement, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties covenant, agree and declare as follows:

Section 1. Definitions and Interpretations. Except as otherwise defined in this Agreement, the terms used in this Agreement, including its preambles and recitals, shall for all purposes have the meanings specified in the preceding language of this Agreement or Article I of the Trust Indenture dated as of October 1, 2012, between the Issuer and the Trustee, securing the Bonds (the “**Indenture**”), or Article I of the Loan Agreement, unless the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used in this Agreement shall have the following meanings:

“**Borrower**” means Churchview Manor Preservation L.P., an Illinois limited partnership, or the Person or Persons who shall succeed to the ownership of all or any part of the Development in accordance with the provisions of the Loan Agreement.

“**Certificate of Continuing Program Compliance**” means the certificate from the Borrower in substantially the form and covering the matters set forth in *Exhibit C* to this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Low and Moderate Income Tenants**” means and includes individuals or families with adjusted income, calculated in the manner prescribed in Regulation Section 1.167(k)-3(b)(3) as it shall be in effect on the date that the Bonds are issued (or, if not issued on the same date, the earliest issuance date of the Bonds), which does not exceed sixty percent (60%) of the median gross income for the area in which the Development is located, determined in a manner consistent with determinations of median gross income made under the leased housing program established under Section 8 of the United States Housing Act of 1937, as amended, or if that program is terminated, under that program as in effect immediately before termination. That determination shall include adjustments for family size. In no event, however, will the occupants of a unit of the Development be considered to be Low and Moderate Income Tenants if all the occupants are students, no one of whom is entitled to file a joint return for federal income tax purposes.

“**Person**” means natural persons, firms, partnerships, associations, corporations, trusts and public bodies.

“**Qualified Development Period**” means the period beginning on the date on which ten percent (10%) of the units in the Development are first occupied and ending on the latest of the date (i) which is 15 years after the date on which at least fifty percent (50%) of the residential units in the Development are occupied, (ii) which is the first date on which no tax-exempt private activity bond issued with respect to the Development is outstanding, or (iii) on which any assistance presently provided with respect to the Development under Section 8 of the United States Housing Act of 1937, as amended, terminates.

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“Regulations” means the United States Treasury Regulations promulgated with respect to the Code.

“Tenant Income Certificate” means a sworn and notarized certificate in substantially the form and covering the matters set forth in *Exhibit B* to this Regulatory Agreement.

The rules of interpretation set forth in Section 102 of the Indenture shall apply equally to this Agreement. This Agreement and all of its terms and provisions shall be construed to effectuate the purposes set forth in and to sustain the validity of this Agreement.

Section 2. The Development to be Residential Rental Property. The Borrower represents, agrees, covenants and warrants as follows:

(a) The Development is being acquired, rehabilitated and constructed for the purpose of providing a “qualified residential rental project,” within the meaning of the Code. The Borrower shall own, manage and operate the Development as a “residential rental project” comprised of residential units and facilities functionally related and subordinate to them, in accordance with Section 142(d) of the Code and Section 1.103-8(b)(4) of the Regulations, as the same may be amended from time to time, to the extent applicable to the Bonds. Upon the completion of the construction, the Development will consist of approximately 60 residential units located in one building at 2626 West 63rd Street in the City of Chicago, Illinois. The Development will consist of one building containing residential units and functionally related and subordinate facilities of a size and character commensurate with the size and character of the residential units, as provided in the Regulations. Acquisition, rehabilitation, constructing and equipping of the residential units and the functionally related and subordinate facilities are being funded in part by the Bonds. The building is a discrete edifice or other person-made constructions with (i) independent foundations, (ii) independent outer walls, and (iii) independent roofs, each building containing one (1) or more similarly constructed units.

(b) Each residential unit in the Development does and shall contain separate and complete facilities for living, sleeping, eating, cooking and sanitation.

(c) None of the residential units in the Development is or shall at any time be used on a transient basis and no portion of the Development shall ever be used as a hotel, motel, dormitory, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, rest home or trailer park or court. No part of the Development is or will be used as an airplane, a skybox or other luxury box, a health club facility, a facility primarily used for gambling, or a store the principal business of which is the sale of alcoholic beverages for consumption off-premises. No part of the Development is or will at any time be owned by a cooperative housing corporation or other form of cooperative ownership.

(d) The Borrower shall not give preference in renting residential units in the Development to any particular class or group of persons, other than as required by the Issuer to comply with HOME regulations, to Low and Moderate Income Tenants as provided in this Regulatory Agreement, to comply with eligibility standards in place as a result of the fact that

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the Development shall operate as a supportive living facility, to the elderly, or as otherwise required by law.

(e) At no time shall the Borrower occupy a residential unit in the Development, *provided* that a person employed by the Borrower to assist in the management of the Development who has no ownership or other interest in the Borrower may occupy a residential unit.

(f) Any functionally related and subordinate facilities (*e.g.*, parking garages or other areas, swimming pools, tennis courts, etc.) which are to be included as part of the Development will be made available to all tenants on an equal basis. Fees will only be charged with respect to the use of those facilities if the charging of fees is customary for the use of such facilities and in any event, any fees charged will not be discriminatory or exclusionary as to the Low and Moderate Income Tenants.

Section 3. Continuous Rental.

(a) The Borrower represents, covenants, agrees and warrants that at all times during the Qualified Development Period, each unit in the Development shall be rented or available for rental to members of the general public on a continuous basis, except as allowed by Section 2(d) above, and that it shall not grant any commercial leases or permit commercial uses for any space in the Development, except upon receipt by the Trustee and the Issuer of an opinion of any designated firm of attorneys of nationally recognized expertise with respect to the tax-exempt obligations of political subdivisions, selected by the Issuer ("**Bond Counsel**"), which opinion is acceptable to the Trustee, that the lease or use will not adversely affect the exclusion of interest on any of the Bonds from gross income of their holders for federal income tax purposes.

(b) The Borrower shall not make any change in use of any portion of the Development except upon approval of the Issuer or upon receipt by the Trustee of an opinion of Bond Counsel, acceptable to the Trustee, that the change will not adversely affect the exclusion of interest on any of the Bonds from gross income of their holders for federal income tax purposes.

Section 4. Low and Moderate Income Tenants. To the end of satisfying the requirements of Section 142(d)(2)(B) of the Code relating to individuals of low and moderate income during the Qualified Development Period, and related Regulations, the Borrower represents, covenants, agrees and warrants as follows:

(a) At all times during the Qualified Development Period, at least forty percent (40%) of the completed residential units shall be occupied by Low and Moderate Income Tenants. For purposes of satisfying that requirement, a unit occupied by an individual or family who at the commencement of occupancy is a Low and Moderate Income Tenant shall be treated as occupied by such an individual or family during their tenancy in such unit, even though that individual or family subsequently ceases to be a Low and Moderate Income Tenant. The preceding sentence shall, however, cease to apply to any resident whose income as of the most

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recent determination exceeds one hundred forty percent (140%) of the sixty percent (60%) income limitation amount if, after such determination, but before the next determination, any residential unit of comparable or smaller size in the Development is occupied by a new resident whose income exceeds that sixty percent (60%) limitation. A unit treated as occupied by a Low and Moderate Income Tenant shall be treated as occupied after it is vacated until reoccupied (other than for a temporary period not to exceed 31 days), at which time the character of the unit shall be redetermined.

(b) If necessary, the Borrower shall refrain from renting residential units to persons other than Low and Moderate Income Tenants in order to avoid violating the requirement that at all times during the Qualified Development Period at least forty percent (40%) of the occupied residential units in the Development shall be occupied by Low and Moderate Income Tenants.

(c) The Borrower shall determine annually the current income of each tenant treated as a Low and Moderate Income Tenant.

(d) The Borrower shall obtain a Tenant Income Certificate with respect to each occupant in the Development who is intended to be a Low or Moderate Income Tenant signed by the tenant or tenants (*i.e.*, the person or persons whose names appear on the lease). The Borrower shall obtain such a Tenant Income Certificate prior to such tenant or tenants signing a lease with respect to a unit and commencing occupancy in it and also shall obtain such a Tenant Income Certificate for each subsequent year the tenant lives in the Development, signed by such person or persons and obtained at such time or times, all as may be required by applicable rules, rulings, procedures, official statements, regulations or policies now or later promulgated or proposed by the Department of the Treasury or the Internal Revenue Service with respect to obligations issued under Section 142(d) of the Code. The Borrower shall maintain on file all Tenant Income Certificates and upon obtaining each such Certificate shall promptly deliver a copy of it to the Trustee.

(e) The Borrower shall prepare and submit to the Trustee and the Issuer on or before the first day of each March, June, September and December of each year during the Qualified Development Period, a Certificate of Continuing Program Compliance in substantially the form attached to this Agreement as *Exhibit C* executed by Borrower's Representative.

(f) The Borrower shall submit to the Secretary of the Treasury an annual certification as to whether the Development continues to meet the low and moderate income occupancy requirements set forth in the Code. Failure to comply with the requirements set forth in the preceding sentence shall not constitute a default under this Agreement, but may subject the Borrower to a penalty as provided in Section 6652(j) of the Code.

Section 5. Tenants and Tenant Leases. In addition to the requirements contained in other Sections of this Agreement, the Borrower represents, covenants, agrees and warrants as follows:

(a) All tenant lists, applications, certificates and waiting lists relating to the Development shall at all times be kept separate and identifiable from any other business of the

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Borrower which is unrelated to the Development and shall be maintained, as required by the Issuer or the Trustee from time to time, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the Trustee. Failure to keep such lists and applications or to make them available to the Issuer or the Trustee shall be a default under this Agreement.

(b) Each tenant lease for a Low and Moderate Income Tenant shall require the tenant to submit annual Tenant Income Certificates and to provide further information as the Borrower may reasonably require concerning such a Tenant Income Certificate, and that a failure to comply with these requirements or the filing of a false Tenant Income Certificate shall be a violation of a substantial obligation of his tenancy. The provisions of this Section 5 shall apply throughout the Qualified Development Period.

Section 6. Transfer Restrictions. During the Qualified Development Period, the Borrower shall not do any of the following: sell, transfer, assign, convey, change title to or otherwise dispose of the Development or any interest in it (a "Transfer"), in whole or in part, unless: (1) the purchaser or assignee shall execute any necessary or appropriate document reasonably requested by the Trustee with respect to assuming its obligations under this Agreement and the Loan Agreement (the "Assumption Agreement"), which document shall be recorded in the Cook County Recorder's Office; (2) the Trustee and the Issuer shall have received an opinion of Bond Counsel, which opinion is acceptable to such recipient, to the effect that such transfer will not adversely affect the exclusion of interest on any of the Bonds from gross income of their holders for purposes of federal income taxation; (3) the Borrower shall deliver to the Trustee and the Issuer an opinion of counsel to the transferee that the transferee has duly assumed the obligations of the Borrower under this Agreement and that such obligations and this Agreement are binding on the transferee; (4) the Issuer should have consented in writing to such Transfer; and (5) such other conditions are met as are set forth in or referred to in the Loan Agreement or as the Trustee or the Issuer may reasonably impose (upon advice of Bond Counsel) as part of the Assumption Agreement to protect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Section 7. Tax-Exempt Status of the Bonds. The Borrower, the Issuer and the Trustee each represent, agree and warrant that to the best of their ability and knowledge:

(a) It will not take or permit, or omit to take or cause to be taken, as is appropriate, any action that would adversely affect the exclusion of the interest on the Bonds from the gross income of their holders for federal income tax purposes and, in particular, the Borrower will not permit any Person to obtain an ownership interest in the Borrower unless, upon advice of Bond Counsel, the Trustee or the Issuer concludes that the exclusion of the interest on the Bonds from gross income for federal income tax purposes is not adversely affected by such Person obtaining such ownership interest. If it should take or permit, or omit to take or cause to be taken, any such action, it will take all lawful actions necessary to rescind or correct such actions or omissions promptly upon obtaining knowledge of them.

(b) It will take such action or actions as may be necessary, in the written opinion of Bond Counsel filed with the Trustee and the Issuer, to comply fully with all

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applicable rules, rulings, policies, procedures, Regulations or other official statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations the exemption of interest on which depends upon continuing compliance with Section 142(d) of the Code and the Regulations under that Section.

(c) It will file or record such documents and take such other steps as are necessary, in the written opinion of Bond Counsel filed with the Trustee and the Issuer, in order to ensure that the requirements and restrictions of this Agreement will be binding upon all owners of the Development.

Section 8. Notice of Noncompliance; Corrective Action. As soon as is reasonably possible, the Borrower shall notify the Trustee and the Issuer of the existence of any situation or the occurrence of any event of which the Borrower has knowledge, the existence or occurrence of which would violate any of the provisions of this Agreement or cause the interest on the Bonds to become includable in gross income of their holders for federal income tax purposes unless promptly corrected. The Trustee shall promptly notify the Issuer of such event or situation upon receipt of notice from the Borrower. The Borrower covenants to commence appropriate corrective action within a reasonable period of time, but in no event later than 30 days after such noncompliance is first discovered or should have been discovered by the exercise of reasonable diligence.

Section 9. Reliance; Compliance. The Borrower recognizes and agrees that the representations, warranties, agreements and covenants set forth in this Agreement may be relied upon by all Persons interested in the legality and validity of the Bonds and in the exclusion of the interest on the Bonds from gross income of their holders for federal income tax purposes. In performing their respective duties and obligations under this Agreement, the Trustee and the Issuer may rely upon statements and certificates of the Borrower and tenants, and upon audits of the books and records of the Borrower pertaining to the Development. In addition, the Trustee may consult with counsel, and the written opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee under this Agreement in good faith and in conformity with such opinion.

Section 10. Non-discrimination. The Borrower shall not, in the selection of tenants, in employment, in the provision of services or in any other manner, discriminate against any person on the ground of race, color, national origin, religion, creed, sex, handicap, family status or marital status or by reason of the fact that there are children in a prospective tenant's family.

Section 11. Term. This Agreement shall become effective upon its execution and delivery. Unless the Trustee and the Issuer shall have received a written opinion of Bond Counsel addressed to them to the effect that early termination of this Agreement will not adversely affect the exclusion of the interest on all of the Bonds from gross income of their holders for federal income tax purposes, this Agreement shall remain in full force and effect for a term equal to the Qualified Development Period, it being expressly agreed and understood that the provisions of this Agreement are intended to survive the retirement of the Bonds and expiration of the Indenture and the Loan Agreement and the Note. Notwithstanding the

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immediately preceding sentence, this Agreement, and all and several of the terms of it, shall terminate and be of no further force and effect in the event of (x) involuntary noncompliance with the provisions of this Agreement caused by fire, seizure, requisition, foreclosure or delivery of a deed in lieu of foreclosure, change in a federal law or an action of a federal agency after the date of this Agreement which prevents the Trustee or the Issuer from enforcing the requirements of this Agreement, condemnation or other similar event and (y) the payment in full and retirement of the Bonds within a reasonable period after that event. However, the preceding sentence shall cease to apply and the restrictions contained in this Section shall be automatically reinstated if, at any time subsequent to the foreclosure or the delivery of a deed in lieu of foreclosure or similar event, the Borrower or any "related person" (within the meaning of Section 147 of the Code), obtains an ownership interest in the Development for federal income tax purposes. Upon the termination of all and several of the terms of this Agreement, the parties agree to execute, deliver and record appropriate instruments of release and discharge of the terms of this Agreement. However, the execution and delivery of such instruments shall not be a necessary prerequisite to the termination of this Agreement in accordance with its terms.

Section 12. Covenants to Run With the Development. The Borrower subjects the Development to the covenants, reservations and restrictions set forth in this Agreement. The Borrower declares its express intent that the covenants, reservations and restrictions set forth in this Agreement shall be deemed covenants running with the Real Estate and the Development to the extent permitted by law and shall pass to and be binding upon the successors in title to the Development throughout the term of this Agreement. Each and every contract, deed, mortgage, assignment, sub-lease or other instrument executed covering or conveying the Development or any portion of it shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

Section 13. Enforcement. If the Borrower defaults in the performance or observation of any covenant, agreement or obligation of the Borrower set forth in this Agreement, and if such default remains uncured for a period of 30 days after written notice of the default shall have been given to the Borrower by the Issuer or the Trustee, then the Issuer, or the Trustee, acting on behalf of the Bondholders or on behalf of the Issuer, shall declare an "Event of Default" to have occurred, and, at its option, may take any one or more of the following steps:

(a) by mandamus or other suit, action or proceeding at law or in equity, including injunctive relief, require the Borrower to perform its obligations and covenants under this Agreement or enjoin any acts or things which may be unlawful or in violation of the rights of the Issuer or the Trustee under this Agreement;

(b) have access to and inspect, examine and make copies of all the books and records of the Borrower pertaining to the Development; or

(c) take such other action at law or in equity as may appear necessary or desirable to specifically enforce, or prohibit violations of, the obligations, covenants and agreements of the Borrower under this Agreement.

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The Trustee shall have the right, in accordance with this Section and the provisions of the Indenture, without the consent, approval or knowledge of the Issuer or any Person to exercise any or all of the rights or remedies under this Agreement. All reasonable fees, costs and expenses of the Trustee incurred in taking any action pursuant to this Section shall be the sole responsibility of the Borrower.

Notwithstanding the preceding paragraph, if the failure stated in the written notice cannot be corrected within such thirty (30) day period, the Trustee may consent in writing to an extension of such time period, which consent shall not be unreasonably withheld, if corrective action is instituted within such thirty (30) day period and diligently pursued to completion and if such extension does not, in the Trustee's judgment, adversely affect the interests of the holders of the Bonds.

Section 14. Bankruptcy. Neither the Borrower nor any permitted successor owner of the Development shall file any petition in bankruptcy or for the appointment of a receiver, or for insolvency, or for reorganization or composition, or make any assignment for the benefit of creditors or to a trustee for creditors, or permit an adjudication in bankruptcy, the taking of possession of the Development or any part of the Development under judicial process pursuant to any power of sale. However, in the case of an involuntary petition, action or proceeding for an adjudication in bankruptcy, or for the appointment of a receiver or trustee of the property of the Borrower or any other owner of the Development, not initiated by the Borrower or any other owner of the Development, the Borrower or such other owner of the Development shall have 90 days after the service of such petition or the commencement of such action or proceeding, as the case may be, within which to obtain a dismissal of such petition, action or proceeding.

Section 15. Recording and Filing. The Borrower shall cause this Agreement and all amendments and supplements to it to be recorded and filed in the conveyance and real property records of Cook County, Illinois. The Borrower shall pay all fees and charges incurred in connection with any such recording.

Section 16. Indemnification. The Borrower shall be required and agrees to pay, indemnify and hold the Trustee, the Issuer and its respective officers, officials and employees (except for claims arising out of acts or omissions of the Trustee or the Issuer, as applicable, resulting from its gross negligence or willful misconduct) harmless from, any and all loss, damage, cost, expense, suit, judgment, action, injury or liability which they, or any of them, may suffer or incur (including, without limitation, any costs, fees and expenses, including attorneys' fees, costs and expenses) by reason of any violation of the restrictions or provisions of this Agreement.

Section 17. Agent of the Trustee. The Trustee shall have the right to appoint an agent or administrator to carry out any of its duties and obligations under this Agreement, and shall inform the other parties to this Agreement of any such agency appointment by written notice.

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Section 18. No Conflict With Other Documents. The Borrower warrants that it has not executed and will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions of this Agreement, and that, in any event and except to the extent expressly provided in this Agreement, the requirements of this Agreement are paramount and controlling as to the rights and obligations in this Agreement set forth and supersede any other requirements in conflict with this Agreement.

Section 19. Interpretation. Any terms not defined in this Agreement, or defined as provided in this Agreement, shall have the same meaning as terms defined for purposes of Section 142(d) of the Code and in the Regulations.

Section 20. Amendments. This Agreement shall be amended only by a written instrument executed by the parties to it or their successors in title, and duly recorded in the real property records of Cook County, Illinois, the county in which the Development is located. The Borrower shall pay all fees and charges incurred in connection with any such recording.

No amendment to this Agreement concerning matters governed by the Code or the Regulations shall be effective unless there shall have been filed with the Issuer a written opinion of Bond Counsel to the effect that (a) such amendment will not cause or result in interest on the Bonds becoming includable in gross income of their holders for federal income tax purposes, and (b) compliance with the terms and provisions of the Agreement, as so amended, will be sufficient to ensure full compliance with the requirements of Section 142(d) of the Code and all then-applicable rules, rulings, policies, procedures, portions of the Regulations, or other statements promulgated, proposed or made by the Department of the Treasury or the Internal Revenue Service pertaining to obligations the exclusion of interest from gross income on which depends on continuing compliance with that Section 142(d).

Section 21. Notices. Any notice, demand or other communication required or permitted under this Agreement shall be in writing and shall be deemed to have been given if and when personally delivered and receipted for, or, if sent by private courier service or sent by overnight mail service, shall be deemed to have been given if and when received (unless the addressee refuses to accept delivery, in which case it shall be deemed to have been given when first presented to the addressee for acceptance), or on the first day after being sent by telegram, or on the third day after being deposited in United States registered or certified mail, return receipt requested, postage prepaid. Any such notice, demand or other communication shall be addressed to a party at its address set forth below or to such other address as the party to receive such notice may have designated to all other parties by notice in accordance with this Agreement:

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If to the Issuer: City of Chicago
 Department of Housing and Economic Development
 121 North LaSalle Street
 Room 1000
 Chicago, Illinois 60602
 Attention: Commissioner
 Telephone: (312) 744-9476
 Facsimile: (312) 744-2271

with a copy to: City of Chicago
 Department of Law
 City Hall
 121 North LaSalle Street
 Room 600
 Chicago, Illinois 60602
 Attention: Finance and Economic Development
 Division
 Telephone: (312) 744-0200
 Facsimile: (312) 744-8538

If to the Borrower: Churchview Manor Preservation L.P.
 c/o Greater Southwest Development Corporation
 2601 West 63rd Street
 Chicago, Illinois 60629-1619
 Attention: Helen Jareczek
 Phone: (773) 362-3384
 Fax: (773) 471-8206

with a copy to: Applegate & Thorne-Thomsen
 626 West Jackson
 Suite 400
 Chicago, Illinois 60661
 Attention: Caleb Jewell
 Telephone: (312) 491-3325
 Fax: (312) 491-4411

If to the Trustee: Seaway Bank and Trust Company
 645 East 87th Street
 Chicago, Illinois 60619
 Attention: Corporate Trust
 Telephone: (773) 602-4156
 Facsimile: (773) 487-0452

Section 22. Binding Successors. This Agreement shall bind, and the benefits shall inure to, the respective parties to this Agreement, their legal representatives, executors, administrators, successors in office or interest, and assigns, *provided* that the Borrower may not

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assign this Agreement or any of its obligations under it without the prior written approval of the Issuer.

Section 23. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of this Agreement.

Section 24. Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

Section 25. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois, other than the choice of law rules of the State of Illinois and, where applicable, the laws of the United States of America.

Section 26. Limited Recourse. Notwithstanding any provisions of this Agreement to the contrary, enforcement of the provisions of this Agreement shall not result in any claim against the Development, Loan or Loan proceeds, any reserve or deposit required by BMO Harris Bank N.A. or an Alternate Letter of Credit Provider, in connection with the Loan, or the rents or other income from the Development. Notwithstanding any other provision of this Agreement, any monetary obligation created under this Agreement shall not be enforceable personally against the Borrower or any partner of the Borrower, their successors and assigns, or against the assets of the Borrower, its successors or assigns.

[Signature Page Follows]

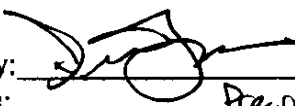
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IN WITNESS WHEREOF, the Trustee, the Borrower and the Issuer have each caused this Regulatory Agreement and Declaration of Restrictive Covenants to be duly executed and attested in their respective names by their duly authorized representatives, all as of the day and year first above written.

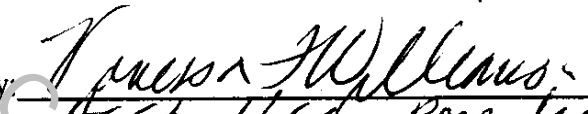
CHURCHVIEW MANOR PRESERVATION L.P.

By: **CHURCHVIEW MANOR PRESERVATION, NFP,**
an Illinois not-for-profit corporation

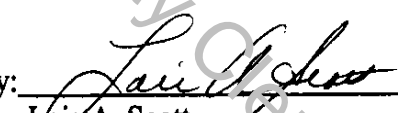
Its: General Partner

By: 
Its: Robert

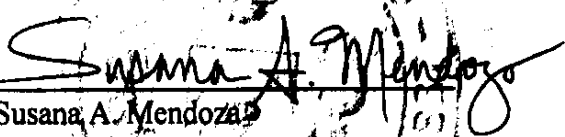
SEAWAY BANK AND TRUST COMPANY,
as Trustee

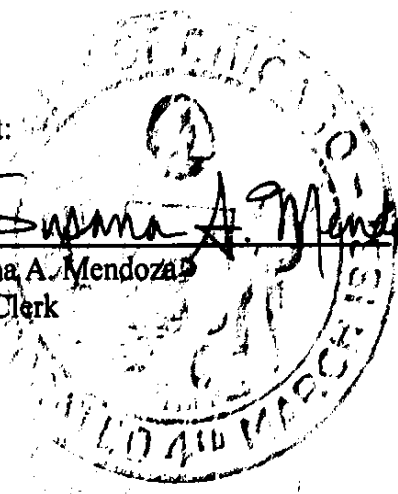
By: 
Its: ASST VICE President

CITY OF CHICAGO

By: 
Lois A. Scott
Its: Chief Financial Officer

Attest:


Susana A. Mendoza
City Clerk



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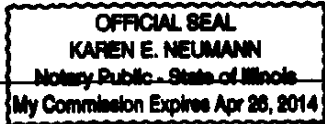
STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Karen E. Neumann Notary Public in and for the County and State aforesaid, CERTIFY that Ghian Foreman personally known to me to be the President of CHURCHVIEW MANOR PRESERVATION L.P., an Illinois limited partnership, 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 acknowledged that he signed and delivered the foregoing instrument as her or his own free and voluntary act and as the free and voluntary act of the corporation for the uses and purposes set forth in such instrument.

GIVEN under my hand and Notarial Seal this 23rd day of October, 2012.

Karen E. Neumann
Notary Public
in and for Cook County, Illinois

(SEAL)
My Commission Expires:



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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

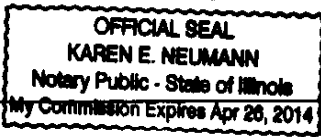
I, Karen E. Neumann Notary Public in and for the County and State aforesaid, CERTIFY that Vanessa Williams personally known to me to be the Asst. Vice President of SEAWAY BANK AND TRUST COMPANY, as Trustee, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed and delivered the foregoing instrument as her or his own free and voluntary act and as the free and voluntary act of said Bank for the uses and purposes set forth in such instrument.

GIVEN under my hand and Notarial Seal this 23rd day of October, 2012.

Karen E. Neumann
Notary Public
in and for Cook County, Illinois

(SEAL)

My Commission Expires:



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Exhibit A

LEGAL DESCRIPTION

PARCEL 1:

LOTS 16 THROUGH 23, BOTH INCLUSIVE, IN BLOCK 15, TOGETHER WITH THE WEST HALF OF VACATED SOUTH TALMAN AVENUE LYING EAST OF THE EAST LINE OF SAID LOT 16 IN BLOCK 15, ALL IN COBE & MCKINNON'S 63RD ST. & CALIFORNIA AVE. SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

Tax Parcel Index No(s):

19-13-426-033; 19-13-426-034; 19-13-426-035; 19-13-426-036; 19-13-426-037; and 19-13-426-038

PARCEL 2:

A PERPETUAL, NON-EXCLUSIVE EASEMENT FOR PRIVATE INGRESS AND EGRESS BENEFITTING PARCEL 1 PURSUANT TO THAT CERTAIN EASEMENT AGREEMENT DATED MARCH 1, 2003 AND RECORDED MARCH 27, 2003 IN THE COOK COUNTY RECORDER'S OFFICE AS DOCUMENT NUMBER 0030415529 UPON, OVER AND ACROSS THE FOLLOWING DESCRIBED PROPERTY:

LOTS 16 THROUGH 25, BOTH INCLUSIVE, IN BLOCK 16, TOGETHER WITH THE EAST HALF OF VACATED SOUTH TALMAN AVENUE LYING WEST OF AND ADJOINING SAID LOT 25 IN BLOCK 16, ALL IN COBE & MCKINNON'S 63RD ST. & CALIFORNIA AVE. SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 13, TOWNSHIP 38 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS

Tax Parcel Index No(s):

19-13-427-030; 19-13-427-031; 19-13-427-032; 19-13-427-033; 19-13-427-034; 19-13-427-035; 19-13-427-036; 19-13-427-037; and 19-13-427-040

ADDRESS COMMONLY KNOWN AS: 2626 West 63rd Street, Chicago, IL

UNOFFICIAL COPY**Exhibit B****FORM OF TENANT INCOME CERTIFICATE**

Name of Tenant (i.e., person or persons whose names appear on the lease): _____

Address of Apartment: _____

Apartment Number: _____

Some or all of the cost of the Development in which you are to lease an apartment was financed by bonds issued for the benefit of the owner. Interest paid on those bonds is intended to be exempt from federal income tax. In order to qualify for that exemption there are certain requirements which must be met with respect to the apartment building and its tenants. To satisfy one of those requirements, it is necessary for you to provide the information requested in this Tenant Income Certificate at the time you sign your lease and annually after you become a Tenant.

I. ANTICIPATED INCOME

For each person who is now occupying or is expected to occupy your apartment unit at any time during the next twelve months, please provide the following information:

<u>Name</u>	<u>Annual Salary/Wages*</u>	<u>Other Income**</u>	<u>Total Income</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

*State the gross amount of compensation, before any payroll deductions, including any bonuses, overtime pay, tips, commissions or fees anticipated to be received during the next twelve months.

**Other income generally includes income anticipated to be received from any source whatsoever during the next twelve months, including, but not limited to:

- (a) interest and dividends;
- (b) rental income;

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- (c) net income from a profession or operation of a business;
- (d) payments in lieu of earnings, such as unemployment compensation;
- (e) periodic payments (not lump-sum payments) received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits;
- (f) periodic and determinable allowances, such as alimony and child support payments and regular contributions or gifts from persons not listed above; and
- (g) public assistance, but if the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included shall consist of:

- (1) the amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus
- (2) the maximum amount which the public assistance agency could in fact allow the occupant for shelter and utilities.

Do not include in the amount of other income shown above the following items:

- (a) casual, sporadic or irregular payments you may receive;
- (b) amounts which are specifically for or in reimbursement of the cost of medical expenses;
- (c) lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and workmen's compensation), capital gains and settlements for personal or property losses;
- (d) amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment; *provided* that any amounts of such scholarships, or payments to veterans not used for the above purposes which are available for subsistence are to be included in income;
- (e) the special pay to a serviceman head of a family away from home and exposed to hostile fire;
- (f) relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
- (g) foster child care payments;

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(h) the value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the occupants of the dwelling unit;

(i) payments received pursuant to participation in the following volunteer programs under the ACTION Agency:

(1) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs; and

(2) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE).

II. CAPITAL ASSETS

If any of the persons listed above has any savings, stocks, bonds, real estate or other form of capital investment (except for necessary items such as furniture, automobiles, etc.), please provide the following information:

(a) the total value of all such assets presently owned by all such persons: \$ _____; and

(b) the amount of income expected to be derived from such assets in the 12-month period commencing this date (which should be included in "other income" shown above): \$ _____.

III. STUDENTS

(a) Will all of the persons listed above be (or have they been) full-time students during five calendar months of this calendar year at an educational institution (other than a correspondence school) with regular faculty and students?

Yes _____ No _____

(b) Is any such full-time student married and eligible to file a joint federal income tax return?

Yes _____ No _____

I, the undersigned, certify that I have read and answered fully, frankly and personally each of these questions and requests for information for all persons who now occupy or are to occupy the unit in the above Development. I acknowledge that all of the above information is relevant to the status under federal income tax law of the interest on bonds issued to finance the Development containing the unit which I now or which I intend to occupy. I

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consent to the disclosure of this information to the Issuer of such bonds, the owners of such bonds and any agent acting on their behalf.

I certify under penalty of perjury that these statements are true and correct.

Executed this ____ day of _____, _____, at Chicago, Illinois.

Tenant

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UNOFFICIAL COPY**IV. FOR COMPLETION BY BORROWER****(a) Anticipated Income Computation:**

- (1) Total income from Part I. \$ _____
- (2) If 10% of the amount shown on Part II(a) exceeds the amount on Part II(b), enter the amount of such excess. \$ _____
- (3) Anticipated Income ((1) + (2)) \$ _____

(b) Insert an [X] in the bracket opposite whichever of the following statements is applicable:

- (1) Because total Anticipated Income is less than \$ _____, the apartment is occupied by Low and Moderate Income Tenants.
- (2) The apartment is not occupied as provided in (1) above.

(c) The number of units in the Development which are presently occupied is _____.**(d) The number of units occupied by Low and Moderate Income Tenants is _____.** The number of units which were previously occupied by Low and Moderate Income Tenants but have been vacated and have not been reoccupied (other than for a temporary period of no more than 31 days) is _____. The sum of the units described in this paragraph (d) is equal to _____% of the total number of occupied units from paragraph (c) above.

The undersigned certifies that he or she is the _____ of _____ and that the above determinations and calculations have been completed to the best knowledge of the undersigned after due inquiry, and the undersigned does not believe or have any reason to believe that the information in the Tenant Income Certificate is inaccurate or has been given falsely.

Dated: _____, 20__

* Tenants are Low and Moderate Income Tenants if (a) their income as determined by the Borrower in the most recent annual determination was not more than the applicable income limitation (as adjusted for family size), or (b) their income as so determined exceeded the applicable income limitation but did not exceed an amount equal to 140% of the applicable income limitation and their income when they first applied to rent their unit did not exceed the applicable income limitation, or (c) their income as so determined exceeded an amount equal to 140% of the applicable income limitation and all units in the Development of comparable or smaller size available for rental size the last annual tenant income determination have been rented to tenants whose income did not exceed the applicable income limitation.

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Exhibit C

FORM OF CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

The undersigned is the _____ of Churchview Manor Preservation, NFP and has read and is thoroughly familiar with the provisions of the various Loan Documents associated with the Borrower's participation in the financing by the City of Chicago of the acquisition, rehabilitation and construction of Churchview Manor Senior Apartments, such documents including:

1. the Regulatory Agreement and Declaration of Restrictive Covenants dated as of October 1, 2012 between the Borrower, the City and the Trustee;

2. the Loan Agreement, dated as of October 1, 2012, among the Borrower, the Issuer and the Trustee;

As of the date of this certificate, the following number of residential units in the Development (i) are occupied by Low and Moderate Income Tenants (as such term is defined in the Regulatory Agreement) or (ii) were previously occupied by Low and Moderate Income Tenants and have been vacant and not reoccupied except for a temporary period of no more than 31 days, as indicated:

Number of units occupied by Low and Moderate Income Tenants _____

Number of units previously occupied by Low and Moderate income tenants (vacated and not reoccupied except for a temporary period of no more than 31 days) _____

Total Number of Low and Moderate Income Units _____

The total number of occupied residential units in the Development is _____

* _____
The number of Low and Moderate Income Tenants shown above is ___% of the total number of occupied units.

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The undersigned certifies that the Borrower is not in default under any of the terms and provisions of the above documents.

Dated: _____, _____

CHURCHVIEW MANOR PRESERVATION L.P.

By: **CHURCHVIEW MANOR PRESERVATION, NFP,**
an Illinois not-for-profit corporation

Its: General Partner

By: _____

Its: _____

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