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**THIS INSTRUMENT WAS PREPARED
BY AND AFTER RECORDING RETURN**

**TO: Kristi S. Poskus
Illinois Housing Development
Authority
401 N. Michigan Ave., Suite 700
Chicago, Illinois 60611
Permanent Tax Index
Identification Nos.:**

**17-18-123-056-0000; 17-18-123-057-0000
17-18-124-010-0000; 17-18-124-011-0000
17-18-124-025-0000; 17-18-124-026-0000
17-18-124-027-0000; 17-18-124-028-0000
17-18-125-034-0000; 17-18-125-036-0000
17-18-125-037-0000; 17-18-125-038-0000
17-18-125-039-0000; 17-18-125-040-0000
17-18-125-041-0000; 17-18-125-042-0000
17-18-125-035-0000**

**Property Address:
2045 West Jackson Boulevard
Chicago, Illinois 60624**

MF Advantage #11091



**Doc#: 1336419064 Fee: \$70.00
RHSP Fee: \$9.00 RPRF Fee: \$1.00
Karen A. Yarbrough
Cook County Recorder of Deeds
Date: 12/30/2013 02:22 PM Pg: 1 of 17**

REGULATORY AND LAND USE RESTRICTION AGREEMENT

THIS REGULATORY AND LAND USE RESTRICTION AGREEMENT (this "Agreement"), made and entered into as of this 23rd day of December, 2013, by and between RELATED VAN BUREN, LLC, a Delaware limited liability company ("Borrower"), and the ILLINOIS HOUSING DEVELOPMENT AUTHORITY (the "Authority"), a body politic and corporate established pursuant to the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., as amended from time to time (the "Act"), having its principal office at 401 N. Michigan Ave., Suite 700, Chicago, Illinois 60611;

WITNESSETH:

WHEREAS, Borrower is the fee owner of certain real property upon which a housing development consisting of two hundred ninety nine (299) units (the "Units") legally described in Exhibit A attached and made a part of this Agreement (the "Real Estate"), located in Chicago, Illinois. The Real Estate and the improvements on it are collectively referred to in this Agreement as the "Development"; and

WHEREAS, Related Affordable, LLC, is the sole member of Borrower ("Member"); and

**CERTAIN OF THE PROVISIONS HEREOF MAY CONTINUE IN EFFECT
NOTWITHSTANDING THE PAYMENT IN FULL OF THE LOAN PRIOR TO THE
MATURITY DATE.**

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WHEREAS, the Authority is the program administrator of the Multifamily Advantage Program (the "Program"), as that program is authorized by the Illinois Housing Development Act, 20 ILCS 3805/1 et seq., as amended from time to time (the "Act"), and the rules promulgated under the Act, as amended and supplemented (the "Rules"); and

WHEREAS, the Authority has agreed to make a Loan to Borrower under the Program in an amount not to exceed Fifteen Million One Hundred Sixteen Thousand Four Hundred and No/100 Dollars (\$15,116,400.00) (the "Loan"), to be used with other monies, if any, for the acquisition of the Development; and

WHEREAS, contemporaneously with the execution and delivery of this Agreement, Borrower has executed and delivered to the Authority its mortgage Note (together with any renewals, modifications, extensions, amendments and replacements, the "Note") of even date herewith, as evidence of its indebtedness to the Authority in the principal sum of Loan; and

WHEREAS, the Loan is evidenced, secured and governed by, among other things: (a) the Conditional Commitment Letter from the Authority to or for the benefit of Borrower dated November 19, 2013 (the "Commitment"); (b) the Loan and Security Agreement dated as of the date hereof and executed by the Borrower, as borrower, and the Authority, as lender (the "Loan Agreement"); (c) the Note executed by Borrower dated as of the date hereof; (d) that certain Mortgage, Security Agreement and Assignment of Rents and Leases (the "Mortgage") dated as of the date hereof and executed by Borrower, as mortgagor, and delivered to the Authority, as mortgagee; (e) that certain Guaranty of Performance dated as of the date hereof (the "Guaranty") and executed by The Related Companies, L.P. (the "Guarantor") for the benefit of the Authority; (f) that certain Environmental Indemnity (the "Environmental Indemnity") dated as of the date hereof executed by Borrower and others as Indemnitor (as defined in the Environmental Indemnity), and delivered to the Authority, as Indemnitee (as defined in the Environmental Indemnity); and (g) this Agreement. This Agreement, the Loan Agreement, and the Note, the Mortgage, the Guaranty, the Environmental Indemnity, the Commitment, such certificates as Authority may require from Borrower, Member or Guarantor and any other documents evidencing, securing and governing any and all indebtedness related to the Development owing to Authority by Borrower, Member or Guarantor or otherwise entered into in connection with the Loan are sometimes collectively referred to in this Agreement as the "Loan Documents"; and,

WHEREAS, as an inducement to the Authority to make the Loan, Borrower has agreed to enter into this Agreement and consents to be regulated and restricted by the Authority as provided in it, and as provided for in the Rules, the Act and the rules, regulations, policies and procedures of the Authority promulgated under the Act, all as they may be amended and supplemented from time to time, as applicable.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. **Incorporation and Definitions.** The foregoing recitals are incorporated in this Agreement by this reference. Capitalized terms not defined herein shall have the meanings ascribed to such terms in the Loan Agreement.

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2. **Act and Rules.** Borrower agrees that at all times its acts regarding the Development shall be in conformance with the applicable provisions of the Rules, the Act and the rules, regulations, policies and procedures of the Authority promulgated under the Act, all as they may be amended and supplemented from time to time.

3. **Representations and Agreements.** Borrower further represents and agrees that:

a. Twenty percent (20%) of the Units shall be occupied by Tenants whose income, on the date hereof, does not exceed the income limits for Moderate Income Tenants (as defined in **Paragraph 10** hereof). Notwithstanding the foregoing, the Borrower must assume the existing Extended Use Agreement and such Extended Use Agreement requires that all of the Units shall be occupied by Tenants whose income, at the time of initial occupancy, does not exceed the income limits for Low Income Tenants (as defined in **Paragraph 10** hereof);

b. In the advertising, marketing, and rental of Units and the selection of Tenants, Borrower agrees to abide by the terms and conditions of the Tenant Selection Plan executed by Borrower, and approved by the Authority, as it may be amended from time to time with the prior written consent of the Authority;

c. In the management and operation of the Development, Borrower agrees to abide by the terms and conditions of the Affirmative Fair Housing Marketing Plan; the Management Plan; and the Management Agreement; all as approved by the Authority, as such documents may be amended from time to time with the prior written approval of the Authority. Borrower shall be responsible for ensuring the management agent's compliance with applicable provisions of the Act, the Rules and all applicable ordinances, regulations and statutes and the rules, procedures and requirements of the Authority. At the Authority's direction, Borrower shall terminate the Management Agreement with the management agent and select another management agent satisfactory to the Authority;

d. On forms approved by the Authority, Borrower shall obtain from each prospective Low Income Tenant prior to his or her admission to the Development and periodically thereafter as required by the Authority, a certification of income (the "Certification"). Borrower shall submit such Certifications to the Authority in the manner prescribed by the Authority;

e. In the manner prescribed by the Authority, Borrower shall obtain written evidence substantiating the information given on such Certifications and shall retain such evidence in its files at the Development for three (3) years after the year to which such evidence pertains. Within thirty (30) days after the end of each calendar year, Borrower shall certify to the Authority that, at the time of such certification and during the preceding calendar year, Borrower was in compliance with the requirements of this **Paragraph 3**, or, if Borrower is not or has not been in compliance with such requirements, Borrower shall give notice to the Authority of its failure to comply and the corrective action Borrower is taking or has taken;

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f. Borrower shall annually submit a schedule of rents for the Development for the Authority's approval, and shall not change the rent schedule for the Development without the Authority's approval.

g. Borrower shall require all Tenants to execute a lease (the "Lease") in a form approved by the Authority;

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

i. Borrower shall not evict any Tenant from the Development without good cause;

j. Borrower shall maintain the Development in conformity (i) with applicable federal, state and local statutes, regulations, ordinances, standards and codes (except as otherwise approved by the Authority) and (ii) with all applicable rules, contracts, agreements, procedures, guides and other requirements of the Authority provided to Borrower in writing.

4. **Acts Requiring Authority Approval.** Except as permitted pursuant to the other Loan Documents, Borrower shall not, without the prior written approval of the Authority, which may be given or withheld in the Authority's sole discretion:

a. Convey, transfer or encumber the Development or any part of it, or permit the conveyance, transfer or encumbrance of the Development or any part of it;

b. Convey, assign or transfer any right to manage, or receive the rents and profits from, the Development;

c. Initially rent any Unit for a period other than one (1) year, and after such initial one (1) year period, rent any Unit for less than six (6) months or more than one (1) year;

d. Lease or sublease any non-residential facility in the Development or amend or modify any such lease or sublease, which, to the best of Borrower's knowledge, would result in a conflict of interest between any of the parties to such contracts and the Authority, its board members, officers, employees, agents or members of their respective immediate families; or

e. Require, as a condition of the occupancy or leasing of any Unit in the Development, any consideration or deposit other than the prepayment of the first month's rent plus a security deposit in an amount not to exceed one (1) month's rent to guarantee the performance by the Tenant of the covenants of the Lease. Any funds collected by Borrower as security deposits shall be kept separate and apart from all other funds of the Development.

5. **Borrower Duties.** In addition to, but not by way of limitation of, the other duties of Borrower set forth in this Agreement, Borrower shall comply with the following:

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a. Maintenance. Borrower shall maintain the Development and the grounds and equipment appurtenant to it in a decent, safe and sanitary condition, and in a rentable and tenantable state of repair, and in compliance with all applicable federal, state and local statutes, regulations, ordinances, standards and codes.

b. Management. Borrower shall provide for the management of the Development in a manner satisfactory to the Authority.

c. Audit. The Development and the equipment, buildings, plans, specifications, offices, apparatus, devices, books, contracts, records, documents and other papers relating to it, and the books and records relating to Borrower, shall at all times be maintained in reasonable condition for proper audit, and shall be subject to examination, inspection and copying by the Authority or its agent or representative upon reasonable prior notice during normal business hours, as the Authority reasonably requires.

d. Financial and Expense Reports. Within ninety (90) days following the end of the Borrower's fiscal year, in a manner prescribed by the Authority in writing, Borrower shall furnish the Authority with a complete annual financial report for the Development based upon an examination of the books and records of the Development, prepared at Borrower's expense in accordance with the written requirements of the Authority, and certified to Borrower by an Illinois licensed certified public accountant.

e. Furnishing Information. At the request of the Authority, Borrower shall furnish such reports, projections, certifications, budgets, operating reports, tax returns and analyses as required pursuant to the statutes, rules and regulations of the Authority and the Act, as amended from time to time, or by other applicable federal or state statutes or requirements, and from time to time shall give specific answers to written questions in connection with Borrower's income, assets, liabilities, contracts and operation, all relating to the Development, and the administration, operation, maintenance, occupancy, financial soundness and physical condition of the Development.

f. Compliance with Certain Laws. Borrower shall comply with the provisions of the Environmental Barriers Act (410 ILCS 25/1 et seq., as amended from time to time), the Illinois Accessibility Code (71 Ill. Adm. Code 400), 47 Ill. Adm. Code 310, Subpart I, as amended from time to time, except as otherwise approved by the Authority, and the Americans With Disabilities Act, 42 U.S.C. 12101 et seq., as amended, if applicable.

6. Accounts.

a. Replacement Reserve Account. On or before the Closing Date, and on the first day of each month thereafter, Borrower shall make deposits with the Authority into a Replacement Reserve Account (the "Replacement Reserve Account") established with the Authority, as applicable, in the amount of one-twelfth (1/12th) of Three Hundred and No/100 Dollars (\$300.00) per Unit per calendar year, or such other sum as the Authority shall, from time to time, specify. In addition to the foregoing, on or before the Closing Date, Borrower shall initially deposit into the Replacement Reserve Account the sum of

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Two Hundred Fourteen Thousand Four Hundred No/100 Dollars (\$214,400.00). Funds shall not be disbursed from the Replacement reserve Account without the written consent of the Authority in its sole and absolute discretion.

b. Tax and Insurance Reserve Account. On or before the Closing Date, Borrower shall deposit with the Authority the sum of (i) One Hundred Twelve Thousand Seven Hundred Thirty One and No/100 Dollars (\$112,731.00) for payment of real estate taxes on the Development and (ii) Forty Two Thousand Two Hundred Seventy Three and No/100 Dollars (\$42,273.00) for payment of insurance policies, which the Authority shall deposit in the tax and insurance reserve account for the Development (the "Tax and Insurance Reserve Account"). Commencing on the first day of the first month after the Closing Date, Borrower shall pay to the Authority, for deposit into the Tax and Insurance Reserve Account monthly payments in an amount sufficient so that (i) as of the first (1st) day of the month before each installment of real estate taxes is due, there shall be on deposit in the Tax and Insurance Reserve Account for real estate taxes an amount equal to one half (1/2) of one hundred three percent (103%) of the real estate tax bill for the Development for the previous calendar year, or such other amount as the Authority shall determine, in its reasonable discretion; and (ii) as of the first (1st) day of the month before the insurance bill is due, there shall be on deposit in the Tax and Insurance Reserve Account for insurance an amount equal one hundred three percent (103%) of the insurance bill for the Development for the previous calendar year, or such other amount as the Authority shall determine, in its reasonable discretion.

c. Debt Service Reserve. On or before the Closing Date, Borrower shall deposit with the Authority an amount equal to One Hundred Eleven Thousand Four Hundred Eighty Three and No/100 Dollars (\$111,483.00), which the Authority shall hold in a Debt Service Reserve Account (the "Debt Service Reserve Account") for the Development, and which shall be available as security for payment of the Loan as provided in the Loan Documents. In the event funds from the Debt Service Reserve Account are disbursed as approved by the Authority, the Borrower shall, within thirty (30) days of such disbursement, replenish the Debt Service Reserve Account to the full amount as required herein.

d. Interest. The Replacement Reserve Account, the Operating Reserve Account, and the Tax and Insurance Reserve Account shall be held in an account containing replacement reserves, tax and insurance reserves, and operating deficit reserves and other reserves for other Authority-financed development (the "Authority Reserve Account"); the funds in the Authority Reserve Account will be invested by the Authority in accordance with its then-current standard policies and practices. Earnings on the Authority Reserve Account are pooled and, subject to the terms of the Loan Documents, paid to Borrower in proportion to funds attributable to it, based on the actual earnings of the Authority Reserve Account.

e. Release of Amounts in Accounts. The funds in the Replacement Reserve Account, the Tax and Insurance Reserve Account, and the Operating Reserve Account, to the extent held by the Authority (each, an "Account") shall constitute additional security for the repayment of the Loan. The Authority shall have the right, in its sole discretion,

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to approve each withdrawal of funds, prior to such withdrawal, from the Accounts or any other fund or account established pursuant to this Agreement or in connection with the Loan; in the event of a default under this Agreement or any other Loan Document, the Authority may, but shall not be required to, draw on the funds in any Account (i) to pay the ordinary administrative expenses, operating expenses and maintenance expenses of the Development or (ii) to apply such funds against the outstanding principal balance of the Loan or any delinquencies under the Loan. Approval of the annual operating budget for the Development shall constitute the Authority's approval of the ordinary administrative expenses, operating expenses and maintenance expenses of the Development, as set forth in that budget.

7. Non-Discrimination in Housing.

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

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

8. Violation of Agreement by Borrower. Upon violation of any of the provisions of this Agreement by Borrower, the Authority may give notice of such violation to Borrower as provided in **Exhibit B** attached to and made a part hereof. If such violation is not corrected to the satisfaction of the Authority within thirty (30) days after such notice, the Authority may declare a default under this Agreement; however if such condition is not reasonably curable within thirty (30) days despite Borrower's reasonable efforts to cure it, Borrower shall have one hundred twenty (120) additional days to cure such default, so long as (i) that cure is commenced within such thirty (30) day period, (ii) Borrower continues to diligently pursue such cure in good faith and (iii) the Authority's security for the Loan is not, in the sole judgment of the Authority, impaired as a result of the existence of such failure; after the expiration of such one hundred fifty (150) day period, the Authority may declare a default under this Agreement, effective on the date of notice of such declaration of default to Borrower, and upon such default, and so long as such default is continuing, the Authority may do the following:

a. Declare the whole of the indebtedness under the Note immediately due and payable and then proceed to exercise the rights and remedies set forth in any Loan Document;

b. Take possession of the Development, bring any action necessary to enforce any rights of Borrower growing out of the operation of the Development and operate the Development in accordance with the terms of this Agreement until such time as the Authority, in its sole discretion, determines that Borrower is again in a position to operate the Development in accordance with the terms of this Agreement and in compliance with the requirements of the Note;

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c. Collect all rents and charges in connection with the operation of the Development and use such collections to pay Borrower's obligations under this Agreement, the Note, the Mortgage, or any other Loan Document and such other obligations of Borrower in connection with the Development and the necessary expenses of preserving and operating it;

d. Apply to any court, state or federal, for specific performance of this Agreement, for an injunction against any violation of this Agreement, for the appointment of a receiver to take over and operate the Development in accordance with the terms of this Agreement, or for such other relief as may be appropriate. Because the injury to the Authority arising from a default under any of the terms of this Agreement would be irreparable and the amount of damages would be difficult to ascertain, Borrower acknowledges and agrees that the Authority's remedies at law, in the event of a violation of this Agreement, would be inadequate to assure the Authority's public purpose; or

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

The Authority's remedies are cumulative and the exercise of one shall not be deemed an election of remedies, nor foreclose the exercise of the Authority's other remedies. No waiver by the Authority of any breach of this Agreement shall be deemed to be a waiver of any other or subsequent breach. The failure or delay of the Authority in exercising any of its rights under this Agreement in any one or more instances, or the exercise of less than all of its rights in any one or more instances, shall not be deemed or construed as a waiver of any such rights.

9. **Termination of Liabilities.** In the event of a sale or other transfer of the Development, all of the duties, obligations, undertakings and liabilities of Borrower or other transferor (the "Transferor") under the terms of this Agreement shall thereafter cease and terminate as to the Transferor, except as to any acts or omissions or obligations to be paid or performed by the Transferor that occurred or arose prior to such sale or transfer. As a condition precedent to the termination of the liability of the Transferor under this Agreement, the transferee of the Development (a "New Borrower"), as a condition precedent to its admission as a New Borrower, shall assume in writing, on the same terms and conditions as apply to the Transferor, all of the duties and obligations of the Transferor arising under this Agreement from and after the date of such sale or transfer. Such assumption shall be in form and substance acceptable to the Authority. Any such New Borrower shall not be obligated with respect to matters or events that occur or arise before its admission as a New Borrower.

10. **Definitions.**

a. "Low Income Tenant". As used in this Agreement, the phrase "Low Income Tenant" means a single person, family or unrelated persons living together whose adjusted income is less than or equal to sixty percent (60%) of the Median Income.

b. "Moderate Income Tenant". As used in this Agreement, the phrase "Moderate Income Tenant" means a single person, family or unrelated persons living

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together whose adjust income is less than or equal to eighty percent (80%) of the Median Income.

c. "Median Income". As used in this Agreement, the phrase "Median Income" means the median income of the metropolitan statistical area of Chicago, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by the United States Department of Housing and Urban Development ("HUD") for purposes of Section 8 of the United States Housing Act of 1937.

d. "Tenant". As used in this Agreement, the word "Tenant" means a person, family or unrelated persons leasing a Unit in the Development.

11. Term of Agreement; Covenants Run with Development. The covenants and agreements set forth in this Agreement shall encumber the Development and be binding on any New Borrower and any other future owners of the Development and the holder of any legal, equitable or beneficial interest in it until the Maturity Date (as defined in the Note). If the Note is prepaid prior to the Maturity Date (as defined in the Note) with the approval of the Authority, only the covenants and agreements set forth in **Paragraphs 2, 3(a)-(f), 3(h, i and j), 4, 5(a), 7, and 8(d)-(e)** hereof (collectively, the "Continuing Obligations") shall remain in effect for the period of time commencing on the prepayment and ending on the Maturity Date, irrespective of whether the Loan is prepaid voluntarily by Borrower or tendered by any party following an acceleration by the Authority of the Note or enforcement by the Authority of its remedies in connection with the Loan.

Borrower expressly acknowledges that its undertakings and agreements stated in this Agreement are given to induce the Authority to make the Loan and that, even if the Loan have been repaid prior to the Maturity Date, or paid on the Maturity Date, the Borrower's undertaking to perform the Continuing Obligations for the period set forth in the previous paragraph is a condition precedent to the willingness of the Authority to make the Loan.

12. Liability of Borrower – Nonrecourse. Except as otherwise set forth in the Environmental Indemnity and the Guaranty, Borrower's liability created under this Agreement and the Loan Documents shall be non-recourse and neither Borrower nor the Member shall have any personal liability for repayment of the Loan. The Authority shall look only to the Development and its reserves and any other funds or letters of credit relating to the Development for repayment of the Loan. The foregoing shall not limit Borrower's or Member's liability for damages as a result of (i) fraudulent acts, or willful and wanton acts or omissions in violation of the provisions of this Agreement and the other Loan Documents; (ii) the fair market value of the personalty or fixtures removed or disposed of from the Development in violation of the terms of the Loan Documents; (iii) the misapplication, in violation of the terms of the Loan Documents, of any funds to the full extent of such misapplied funds and proceeds, including, without limitation, any funds or proceeds received under any insurance policies or awards resulting from condemnation or the exercise of the power of eminent domain; (iv) any misapplication of any security deposits attributable to any leases of units, or failure to pay interest on such security deposits as required by law; (v) waste committed on the Development to the extent that funds in the Replacement Reserve Account or otherwise available in any property account held by Borrower, are available to remedy such waste and Borrower has failed to remedy the waste

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despite the written instructions of the Authority; (vi) the occurrence of a Prohibited Transfer, without the prior written consent of the Authority; (vii) an oral or written material misrepresentation was made by Borrower or any party in the ownership structure of Borrower, or any employee or agent of Borrower or any other such entity or individual; (viii) a material error or omission was made in the Ownership Structure Certificate (as defined in the Commitment); (ix) the Borrower has violated the single asset requirement contained in the Commitment; and (x) the Borrower has delivered a false certification pursuant to Paragraph C.10 of the Commitment. Any liability incurred pursuant to this Paragraph shall be the personal liability of the Borrower and the Member. The provisions of this Paragraph shall have no effect on the liabilities and obligations contained in the Guaranty.

13. **Amendment of Agreement.** This Agreement shall not be altered or amended without the prior written approval of all of the parties hereto.

14. **Execution of Conflicting Documents.** Borrower warrants that it has not executed, and it agrees that it shall not execute, any other agreement with provisions contradictory, or in opposition, to the provisions of this Agreement, and that, in any event, the requirements of this Agreement are and shall be paramount and controlling as to the rights and obligations set forth in such other agreement and supersede any other requirements in conflict with this Agreement. To the extent this Agreement conflicts with any provisions or requirements set forth in the Mortgage or the Note, the provisions of the Mortgage or the Note, as the case may be, shall prevail and control.

15. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement, or its application to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement, or the application of it to circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such determination and each term, covenant, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

16. **Successors.** Subject to the provisions of Paragraph 9 hereof, this Agreement shall bind, and the benefits shall inure to, the parties to this Agreement, their legal representatives, successors in office or interest and assigns; however, Borrower may not assign this Agreement, or any of its obligations under this Agreement, without the prior written approval of the Authority.

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

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

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

20. **Notices.** Notices under this Agreement shall be given as provided in Exhibit B hereof.

21. **Counterparts.** This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same instrument.

[Remainder of page intentionally blank – Signatures appear on following page]



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

AUTHORITY:

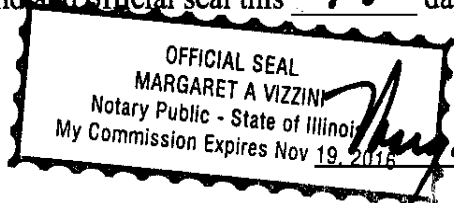
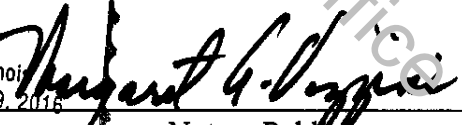
ILLINOIS HOUSING DEVELOPMENT AUTHORITY, a body politic and corporate

By: 
Name: Bryan E. Zises
Title: Assistant Executive Director/
Acting Chief Financial Officer 

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, certify that **BRYAN E. ZISES**, personally known to me to be the **ASSISTANT EXECUTIVE DIRECTOR/ACTING CHIEF FINANCIAL OFFICER** of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY**, 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 said instrument in his capacity as **ASSISTANT EXECUTIVE DIRECTOR/ACTING CHIEF FINANCIAL OFFICER** of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** as his free and voluntary act and deed and as the free and voluntary act and deed of the **ILLINOIS HOUSING DEVELOPMENT AUTHORITY** for the uses and purposes therein set forth.

Given under my hand and official seal this 18th day of December, 2013.


OFFICIAL SEAL
MARGARET A VIZZINI
Notary Public - State of Illinois
My Commission Expires Nov 19, 2015

Notary Public

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EXHIBIT A

LEGAL DESCRIPTION OF REAL ESTATE

Parcel I: Lots 17 through 24 and that part of Lot 16 lying South of W. Jackson Blvd. in Block 6 in R.J. Hamilton's Subdivision of the East 501.62 feet of the North 1622 feet of the West 1/2 of the East 1/2 of the Northwest 1/4 of Section 18, Township 39 North, Range 14 East, of the Third Principal Meridian.

ALSO: That part of the West 20 feet of S. Hamilton Ave., as laid out in said R.J. Hamilton's Subdivision, lying North of the North line of W. Gladys Ave., extended East and lying South of the South line of W. Jackson Blvd. extended East.

Parcel II: Lots 19, 20, 21, the North 6 feet of Lot 28, all of Lots 29, 30, 31, 32 and that part of Lot 33 lying South of the W. Jackson Blvd. (except that part of said Lot 33 lying North of a line extending from a point on the South line of W. Jackson Blvd., as opened by assessment confirmed March 15, 1869, 8.25 feet West of the East line of Lot 33 to a point on the East line of Lot 33, 1.77 feet South of the South line of W. Jackson Blvd., as opened), all in Block 4 in R.J. Hamilton's Subdivision of the East 501.62 feet of the North 1622 feet of the West 1/2 of the East 1/2 of the Northwest 1/4 of Section 18, Township 39 North, Range 14 East of the Third Principal Meridian.

ALSO: The East 1/2 of the 15 foot vacated alley lying West of and adjoining Lots 19, 20 and 21, also, the West 1/2 of the 15 foot vacated alley lying East of and adjoining the North 6 feet of Lot 28, all of Lots 29, 30, 31, 32 and that part of Lot 33 lying South of W. Jackson Blvd., (except that part of said 15 foot alley lying North of a line extending from a point on the West line of said alley 1.77 feet south of the South line of W. Jackson Blvd., as opened, to a point on the East line of said alley, 5.00 feet South of the South line of W. Jackson Blvd., as opened) in Block 4 in R.J. Hamilton's Subdivision, aforesaid.

Parcel III: Lots 1 through 7 (except that part of said Lots 1 through 7 lying Northerly of a line extending from a point on the West line of Lot 7, 5.00 feet South of the Northwest corner of said Lot to a point on the East line of Lot 1, 33.00 feet South of the Northeast corner of said Lot 1) in Anneta Dreyer's Subdivision of Lots 17, 18 and the South 3 feet of Lot 16 in Block 4 in R.J. Hamilton's Subdivision, the East 1/2 of the Northwest 1/4 of Section 18, aforesaid.

ALSO: The East 1/2 of the 15 foot vacated alley lying West of and adjoining Lot 7 (except that part of said 15 foot alley lying North of a line extending from a point on the West line of said alley, 1.77 feet South of the South line of W. Jackson Blvd. to a point on the East line of said alley, 5.00 feet South of the South line of W. Jackson Blvd) in Anneta Dreyer's Subdivision, aforesaid.

Parcel IV: Lots 1 through 6 together with the 8 foot private alley lying West of and adjoining Lots 1, 2, 3, and 4 in John W. Thomas' Resubdivision of Lots 22, 23, and 24 in Block 4 in R.J. Hamilton's Subdivision of the East 501.62 feet of the North 1622 feet of the West 1/2 of the East 1/2 of the Northwest 1/4 of said Section 18, aforesaid.

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ALSO: The East 1/2 of the 15 foot vacated alley lying West of and adjoining Lot 6 in John W. Thomas' Resubdivision, aforesaid.

Parcel V: Lots 1 through 7 in the Subdivision of Lots 25, 26, 27 and the South 18 feet of Lot 28 in Block 4 in R.J. Hamilton's Subdivision of the East 501.62 feet of the North 1622 feet of the West 1/2 of the East 1/2 of the Northwest 1/4 of Section 18, aforesaid.

ALSO: The West 1/2 of the 15 foot vacated alley lying East of and adjoining Lot 7 in the Subdivision of Lots 25, 26, 27 and the South 18 feet of Lot 28, aforesaid.

Parcel VI: Lots 2 through 8 and that part of Lot 9 lying North of W. Van Buren Street in Block 3 in R.J. Hamilton's Subdivision of the West 1/2 of the East 1/2 (except the West 2.50 chains thereof and except the South 322 feet marked Block 1) of the Northwest 1/4 of Section 18, Township 39 North, Range 14 East of the Third Principal Meridian.

ALSO: That part of the vacated West 12.5 feet of S. Hoyne Ave., lying East of and adjoining Lots 2 through 9, being South of the North Line of Lot 2 extended East and North of the North line of W. Van Buren Street, as opened in Block 3, in R.J. Hamilton's Subdivision, aforesaid.

Parcel VII: Lots 2 through 6, 10 through 15, 18, 19 and 22 through 33 (except that part of Lots 2, 14, 15, 18, 19, 22 and 23 taken for the widening of S. Seeley Ave.) in J. A. Wilson's Subdivision of the West 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Northwest 1/4 of Section 18, Township 39 North, Range 14 East of the Third Principal Meridian.

ALSO: All of the East West 14 foot vacated alley lying North of and adjoining Lots 13 and 14 and the North line of said Lots extended (except that part of said vacated alley included in the widening of S. Seeley Ave.) also, all of the 20 foot vacated alley lying West of and adjoining Lots 14, 15, 18, 19 and 22; Also, all of the 13 foot vacated alley lying North of and adjoining Lots 23 through 33 (except that part of said alley included in the widening of S. Seeley Ave.) all in J. A. Wilson's Subdivision, aforesaid.

ALSO: All that part of the vacated East 12.5 feet of S. Hoyne Ave., lying South of the South line of W. Gladys Street extended East and lying North of the North line of W. Van Buren Street extended East.

Parcel VIII: Lots 1 through 6 in the Subdivision of Lots 16, 17, 20, and 21 in J. A. Wilson's Subdivision, aforesaid.

Parcel IX: Lots 1, 2, 3 and 4 in the Subdivision of Lots 7, 8 and 9 in J. A. Wilson's Subdivision, aforesaid.

Commonly known as: 2045 West Jackson Boulevard, Chicago, Illinois 60624

Pin No. 17-18-123-056-0000	17-18-123-057-0000	17-18-124-010-0000	17-18-124-011-0000
17-18-124-025-0000	17-18-124-026-0000	17-18-124-027-0000	17-18-124-028-0000
17-18-125-034-0000	17-18-125-036-0000	17-18-125-037-0000	17-18-125-038-0000
17-18-125-039-0000	17-18-125-040-0000	17-18-125-041-0000	17-18-125-042-0000
17-18-125-035-0000			

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EXHIBIT B

NOTICE PROVISIONS

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

If to Authority:

Illinois Housing Development Authority
401 North Michigan Avenue, Suite 700
Chicago, Illinois 60611
Attention: Managing Director of Multifamily Programs

with a copy to:

Illinois Housing Development Authority
401 North Michigan Avenue, Suite 700
Chicago, Illinois 60611
Attention: General Counsel

If to Borrower:

Related Van Buren, LLC
60 Columbus Circle
New York, NY 10023
Attention: Matthew Finkle

with a courtesy copy to:

Katten Muchin Rosenmann LLP
525 West Monroe Street
Chicago, Illinois 60661
Attention: David Cohen

In connection with the courtesy copy, the Authority will exercise reasonable efforts to provide copies of any notices given to Borrower; however, Authority's failure to furnish copies of such notices shall not limit Authority's exercise of any of its rights and remedies under any document evidencing, securing or governing the Loan from Authority to the Borrower, or affect the validity of the notice.

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

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request or other communication sent pursuant to subparagraph (b) shall be served and effective one (1) business day after deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subparagraph (c) shall be served and effective three (3) business days after proper deposit with the United States Postal Service.

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