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KAREN A. YARBROUGH

COOK COUNTY RECORDER OF DEEDS

DATE: 03/28/2017 10:43 AM PG: 1 OF 13

Property Address: 5521 West Gladys Avenue

This document prepared by
and when recorded return to:

Cynthia Shawamreh
City of Chicago Department of Law
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602

SECOND AMENDMENT OF LOAN DOCUMENTS

THIS SECOND AMENDMENT OF LOAN DOCUMENTS is made as of this 21st day of March, 2017 (this "Amendment"), by and between the City of Chicago (the "City"), an Illinois municipal corporation, by and through its Department of Planning and Development ("DPD") with offices at 121 North LaSalle Street, Room 1000, Chicago, Illinois, 60602, Three Corners LLC, an Illinois limited liability company (the "Owner") and Chicago Title Land Trust Company, not personally but as Trustee (the "Trustee") under that certain Trust Agreement dated October 14, 2010 and known as Trust Number 8002355911, of which the Owner is the sole beneficiary (collectively, the Trustee and the Owner are hereinafter referred to as the "Borrower").

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WITNESSETH

WHEREAS, the City has received certain funds from the United States Department of Housing and Urban Development (“HUD”) in connection with the Neighborhood Stabilization Program (the “Program”); and

WHEREAS, the City is required to meet certain legal requirements in connection with the Program (the “NSP Legal Requirements”); and

WHEREAS, the NSP Legal Requirements require the City to use the Program funds for certain eligible activities (the “Eligible Activities”); and

WHEREAS, the NSP Legal Requirements require that the City allocate 25% of the Program funds to purchase and redevelop abandoned or foreclosed upon residential properties for housing individuals whose incomes do not exceed 50% of the area median income adjusted for family size (“Very Low-Income Families”); and

WHEREAS, the NSP Legal Requirements further require that the City allocate 100% of the Program funds to Eligible Activities benefiting communities and households whose incomes do not exceed 120% of the area median income adjusted for family size (“Eligible Income Families”); and

WHEREAS, the City, Mercy Portfolio Services, a Colorado non-profit corporation (“Mercy”) and MPS Community I, LLC, an Illinois limited liability company (“MPS”) entered into that certain Regulatory Agreement dated and effective November 30, 2009 (the “Original Regulatory Agreement”) which restricted the use of certain property located at 5521 West Gladys Avenue in Chicago, Illinois (the “Property”); and

WHEREAS, the City, Mercy, MPS and the Borrower entered into that certain Assignment, Assumption and Amendment of Documents as of January 14, 2011, (the “Original Amendment”) which contemplated that the Borrower would acquire and rehabilitate the Property using \$643,407.79 of Program funds (the “Loan”) and that the Borrower would assume all of the obligations of Mercy under certain loan documents in connection with the Property made in favor of MPS and assigned to the City, including without limitation a certain redevelopment agreement, a note, a mortgage, an assignment of rents, and certain other documents in addition to the Original Regulatory Agreement (collectively with the Original Amendment, the “Loan Documents”); and

WHEREAS, the Borrower is the owner of the Property which is legally described on Exhibit A attached hereto, and has rehabilitated the Property in accordance with the Loan Documents;

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth, and of other valuable consideration, the Borrower and the City each hereby agree as follows:

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SECTION 1 BORROWER'S REPRESENTATIONS AND COVENANTS.

The Borrower hereby represents, warrants, covenants and agrees as follows:

1.1 The Property now contains a total of 8 residential dwelling units (the "Project Units").

1.2 All of the Project Units are restricted to occupancy by Eligible Income Families ("120% AMI Restricted Project"). "Baseline Maximum Rents" shall mean the maximum amount of gross monthly rent, calculated assuming that the Borrower pays all utilities, which may be charged to tenants in the 120% AMI Restricted Project or in the 50% AMI Restricted Low-Income Project (as defined below) in accordance with the schedule entitled City of Chicago Maximum Affordable Monthly Rents 2015. Any rent increase from the Baseline Maximum Rents must be reviewed and approved by DPD in accordance with Section 1.6 and 1.7 below, as applicable.

1.3 4 of the Project Units are restricted to occupancy by Very Low-Income Families ("50% AMI Restricted Low-Income Project"). Rents for any of the units in the 50% AMI Restricted Low-Income Project that are assisted with Federal or State project-based rental subsidy through any Federal or State funded contract (a "Subsidy Contract"), and for which tenants pay no more than 30% of their adjusted income, which is under the Baseline Maximum Rents indicated below, shall be deemed to meet the provisions hereof provided that the rents charged by the Borrower are allowable under the applicable Subsidy Contract. The Borrower hereby certifies to the City that all the rents currently charged by the Borrower for tenants assisted through a Subsidy Contract in the 50% AMI Restricted Low-Income Project comply with the rents allowable under such Subsidy Contract.

1.4 The 120% AMI Restricted Project is configured as follows:

<u>Number of Bedrooms</u>	<u>Number of Units</u>	<u>Baseline Maximum Rents</u>
Studio	0	\$1,596
1 bedroom	4	\$1,710
2 bedroom	4	\$2,052
3 bedroom	0	\$2,372
4 bedroom	0	\$2,646

1.5 The 50% AMI Restricted Low-Income Project is configured as follows:

<u>Number of Bedrooms</u>	<u>Number of Units</u>	<u>Baseline Maximum Rents</u>
Studio	0	\$665
1 bedroom	3	\$712
2 bedroom	1	\$855
3 bedroom	0	\$988
4 bedroom	0	\$1,102

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Each of the units in the 50% AMI Restricted Low-Income Project shall be deemed to be floating units (the "Floating Units"). Subject to the prior written consent of the City, during the Project Term one or more of the Project Units may hereafter be substituted for one or more of the initial Floating Units specified below by the Borrower. The Borrower shall ensure that any such substitution shall maintain conformity of the Property with the requirements of the NSP Legal Requirements, and both that (a) the total number of Floating Units remains the same, and (b) each substituted Project Unit is comparable in terms of size, features and number of bedrooms with the originally designated Floating Unit.

<u>Number of Bedrooms</u>	<u>Unit Numbers for Initial Floating Units</u>
Studio	None
1 bedroom	<u>1D, 2A, 2D</u>
2 bedroom	<u>1B</u>
3 bedroom	None
4 bedroom	None

1.6 The Baseline Maximum Rents for all of the units in the 120% AMI Restricted Project shall be as stated above (the "120% Initial Rents"). The 120% Initial Rents shall be subject to review and approval by DPD annually and shall be less than the maximum amount(s) provided by DPD annually to the Borrower for the Property. The Borrower shall not increase rents for the units in the 120% AMI Restricted Project during any year during the Project Term (as defined below) until after receiving the updated maximum rent limits for such year from DPD, and any such rent increase shall thereafter be promptly reported by the Borrower in writing to DPD.

Throughout the Project Term, the rents for all of the units in the 120% AMI Restricted Project shall not exceed the lesser of (a) the fair market rent for comparable units in the area as established by HUD under 24 C.F.R. Section 888.111, less utilities, or (b) 30% of the adjusted income of a family whose gross income equals 120% of the median income for the Chicago area less utilities, with adjustment for the number of bedrooms in the unit, as such adjusted income and Chicago-area median income are determined from time to time by HUD.

1.7 The Baseline Maximum Rents for all of the units in the 50% AMI Restricted Project shall be as stated above (the "50% Initial Rents"). The 50% Initial Rents shall be subject to review and approval by DPD annually and shall be less than the maximum amount(s) provided by DPD annually to the Borrower for the Property. The Borrower shall not increase rents for the units in the 50% AMI Restricted Project during any year during the Project Term until after receiving the updated maximum rent limits for such year from DPD, and any such rent increase shall thereafter be promptly reported by the Borrower in writing to DPD.

Throughout the Project Term, the rents for all of the units in the 50% AMI Restricted Project shall not exceed either (a) 30% of the adjusted income of a family whose gross income equals 50% of the median income for the Chicago area less utilities, with adjustment for the number of bedrooms in the unit, as such adjusted income and Chicago-area median income are

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determined from time to time by HUD, or (b) the rent allowable under a Subsidy Contract for the unit, provided that the Very Low-Income Family pays not more than 30 percent of the family's adjusted income as a contribution toward rent.

SECTION 2 GOVERNING LAW.

This Amendment shall be construed in accordance with and governed by the internal laws of the State without regard to its conflict of laws principles, and, where applicable, the laws of the United States of America. In the event of any conflict between this Amendment and the Loan Documents, this Amendment shall control. In the event of any conflict between this Amendment and the NSP Legal Requirements, the NSP Legal Requirements shall control.

SECTION 3 NOTICE.

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) electronic communications, whether by telex, telegram or telecopy; (c) overnight courier, receipt requested; or (d) registered or certified mail, return receipt requested.

IF TO CITY: City of Chicago, Illinois
c/o Department of Planning and Development
121 North LaSalle Street, Room 1000
Chicago, Illinois 60602
Attention: Commissioner

WITH COPIES TO: Office of the Corporation Counsel
City Hall, Room 600
121 North LaSalle Street
Chicago, Illinois 60602
Attention: Finance and Economic
Development Division

IF TO BORROWER: Three Corners LLC
15426 South 70th Court
Orland Park, Illinois 60462
Attention: Robert Ferrino

With Copies to: Mitchell P. Whittaker, Esq.
Gonsky, Baum & Whittaker, Ltd.
112 S. Sangamon Street, 1st Floor
Chicago, Illinois 60607

SECTION 4 SEVERABILITY, NO NOVATION OF INDEBTEDNESS.

4.1 If any provision of this Amendment shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions hereof shall not in any way be

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affected or impaired thereby.

4.2 The City and the Borrower acknowledge and agree that this Amendment does not constitute a novation of the existing indebtedness under the Loan, but is intended to be an amendment and modification of the Loan Documents. Except as amended hereby, the provisions of the Loan Documents remain in full force and effect and are hereby ratified and confirmed.

SECTION 5 COUNTERPARTS.

This Amendment may be executed in any number of counterparts, each of which shall constitute an original, but all of which, taken together, shall constitute one and the same document.

SECTION 6 NO THIRD PARTY BENEFITS.

This Amendment is made for the sole benefit of the City and the Borrower and their respective successors and assigns and, except as otherwise expressly provided herein, no other party shall have any legal interest of any kind hereunder or by reason of this Amendment. Whether or not the City elects to employ any or all of the rights, powers or remedies available to it hereunder, the City shall have no obligation or liability of any kind to any third party by reason of this Amendment or any of the City's actions or omissions pursuant hereto or otherwise in connection herewith.

[SIGNATURES APPEAR ON NEXT PAGE]

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IN WITNESS WHEREOF, the City and the Borrower have executed this Amendment by their duly authorized representatives, all as of the date first written hereinabove.

CITY OF CHICAGO, ILLINOIS, acting by and through its Department of Planning and Development

By: _____

Name: David L. Reifman
Title: Commissioner

THREE CORNERS LLC, an Illinois limited liability company

By: _____

Name: _____
Title: _____

Chicago Title Land Trust Company, not personally but solely as Trustee under that certain Trust Agreement dated October 14, 2010 and known as Trust Number 8002355911

By: _____
Name: _____
Title: _____

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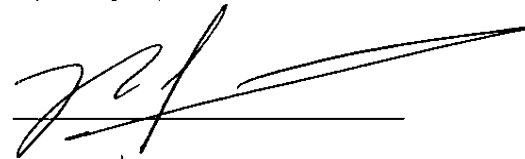
IN WITNESS WHEREOF, the City and the Borrower have executed this Amendment by their duly authorized representatives, all as of the date first written hereinabove.

CITY OF CHICAGO, ILLINOIS, acting by and through its Department of Planning and Development

By: _____

Name: David L. Reifman
Title: Commissioner

THREE CORNERS LLC, an Illinois limited liability company

By:  _____

Name: Bob Ferrino
Title: manager

Chicago Title Land Trust Company, not personally but solely as Trustee under that certain Trust Agreement dated October 14, 2010 and known as Trust Number 8002355911

By: _____
Name: _____
Title: _____

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IN WITNESS WHEREOF, the City and the Borrower have executed this Amendment by their duly authorized representatives, all as of the date first written hereinabove.

CITY OF CHICAGO, ILLINOIS, acting by and through its Department of Planning and Development

By: _____

Name: David L. Reifman
Title: Commissioner


This instrument is executed by the undersigned Land Trustee, not personally but solely as Trustee in the exercise of the power and authority conferred upon and vested in it as such Trustee. It is expressly understood and agreed that all the warranties, indemnities, representations, covenants, undertakings and agreements herein made on the part of the Trustee are undertaken by it solely in its capacity as Trustee and not personally. No personal liability or personal responsibility is assumed by or shall at any time be asserted or enforceable against the Trustee on account of any warranty, indemnity, representation, covenant, undertaking or agreement of the Trustee in this instrument.

THREE CORNERS LLC, an Illinois limited liability company

By: _____

Name: _____
Title: _____

Chicago Title Land Trust Company, not personally but solely as Trustee under that certain Trust Agreement dated October 14, 2010 and known as Trust Number 8002355911

By: 
Name: KELLI A WYZYKOWSKI
Title: VICE PRESIDENT



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STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

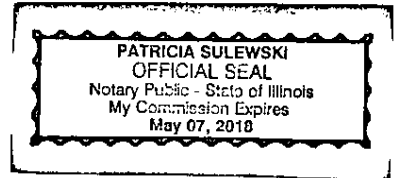
I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT David L. Reifman, personally known to me to be the Commissioner of the Department of Planning and Development of the City of Chicago, Illinois (the "City") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that as such Commissioner, he signed and delivered said instrument pursuant to authority given by the City as his free and voluntary act and as the free and voluntary act and deed of said City, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 9th day of December, 2016.

Patricia Sulewski

Notary Public

(SEAL)



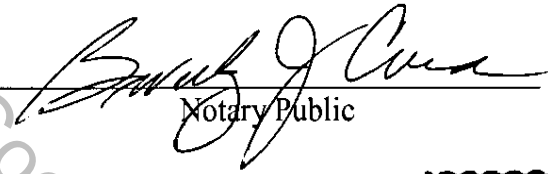
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STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the county and State aforesaid, do hereby certify that Robert Ferrino, personally known to me to be the MANAGER of Three Corners LLC, an Illinois limited liability company (the "Borrower"), and known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and being first duly sworn by me, acknowledged that he/she signed and delivered the said instrument pursuant to authority given by the Borrower, and as his/her free and voluntary act and deed and as the free and voluntary act and deed of the Borrower for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 15 day of March, 2017.



Notary Public

(SEAL)



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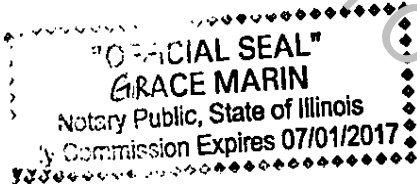
STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a notary public in and for the County and State aforesaid, DO HEREBY CERTIFY THAT KELIA WYZYKOWSKI, personally known to me to be the VICE PRESIDENT of Chicago Title Land Trust Company (the "Company") and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered said instrument pursuant to authority given by said Company as his/her free and voluntary act and as the free and voluntary act and deed of said Company, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 24th day of March, 2017.

Grace Marin

Notary Public



(SEAL)

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EXHIBIT A

LEGAL DESCRIPTION:

LOTS 9 AND 10 IN DAVIS AND SONS SUBDIVISION OF LOT 138 IN SCHOOL TRUSTEE'S SUBDIVISION OF THE NORTH PART OF SECTION 16, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRICIPAL MERIDAN, IN COOK COUNTY, ILLINOIS.

ADDRESS COMMONLY KNOWN AS:

5521 West Gladys Avenue
Chicago, Illinois 60644

PERMANENT INDEX NO.:

16-16-114-058-0000

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